

**PSECU<sup>SM</sup>**

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**AGREEMENTS AND  
DISCLOSURES**

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# CONTENTS

## DEFINITIONS

<b>SECTION 1: Account Agreement</b> .....	<b>2</b>
A. Introduction	
B. Dispute Resolution: Binding Arbitration and Class Action Waiver	
C. Statutory Lien Agreement/Set-Off Rights	
D. Membership	
E. Account Types	
F. Specialty Accounts	
G. Business Accounts	
H. Powers of Attorney	
I. Account Statements	
J. Account Security	
<b>SECTION 2: Checking Terms and Conditions</b> .....	<b>12</b>
A. Introduction	
B. Overdraft	
C. Substitute Check Policy Disclosure	
<b>SECTION 3: Debit Card Terms and Conditions</b> .....	<b>17</b>
<b>SECTION 4: Telephone Banking Services</b> .....	<b>20</b>
<b>SECTION 5: Digital Banking Services</b> .....	<b>21</b>
<b>SECTION 6: Bill Payer Terms and Conditions</b> .....	<b>21</b>
<b>SECTION 7: UCC Article 4A Disclosure (<i>Disclosures Regarding Electronic “Wholesale Credit” Transactions Subject to Uniform Commercial Code Article 4A</i>)</b> .....	<b>25</b>
<b>SECTION 8: Electronic Fund Transfers (Regulation E) Disclosures</b> .....	<b>26</b>
1. Summary of Consumer Liability	
2. Telephone Number and Address to Notify PSECU of Unauthorized Transfers	
3. Financial Institution’s Business Days	
4. Account Access	
5. Limitations on the Use of Your Debit Card	
6. Service Access and Limitations on Bill Payer Service	
7. Digital Banking Access	
8. Electronic Check Conversion	
9. Fees for ATM and Preauthorized Transfers	
10. Confidentiality - Disclosure of Account Information to Third Parties	
11. Documentation of Transfers	
12. Stop Payment Rights - Preauthorized Payments	
13. Summary of the Financial Institution’s Failure to Make or Stop Certain Transactions	
<b>SECTION 9: Availability of Funds and Disclosure of Funds Availability Policy</b> .....	<b>30</b>
<b>SECTION 10: Truth in Savings Account Disclosures</b> .....	<b>34</b>
1. Regular Savings Shares	
2. Youth Savings Shares	
3. Checking Shares	
4. Money Market	
5. Certificate & IRA Certificate	

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**PLEASE NOTE:** The following apply to personal accounts.

## DEFINITIONS

“**ACH**” stands for Automated clearinghouse and it means a facility that processes digital debit and credit transfers under rules established by a Federal Reserve Bank or under rules of an automated clearinghouse association. ACH Deposits are deposits processed through the ACH system.

“**ACH Debit transfer**” refers to incoming or outgoing transfers You authorize into or out of Your account. Some examples of ACH Debit transfers include transactions You initiate at PSECU between Your PSECU deposit account and an external account, and transactions You initiate with a third-party merchant or other external account holder and Your PSECU deposit account.

“**ATM**” refers to any automated teller machines that are part of any network such as PLUS® and NYCE®, that accepts Your card to make deposits to an account by cash or check and perform other account transactions.

“**Bill Payer**” (**BP**) is the service that provides payments to third parties from Your designated checking share.

“**Business Day**” means all calendar days other than Saturday, Sunday, or the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year’s Day, the Birthday of Martin Luther King, Jr., Washington’s Birthday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

“**Check Payee**” is a merchant/individual/company accepting only paper check payments.

“**Checking share**” refers to any share for which You may write a check or use a Debit card.

“**Debit card**” refers to the Visa® Debit card.

“**Due Date**” is the date the payment must reach Your account with the payee (or merchant) to avoid penalties.

“**Digital Banking**” means banking and other access to Your account from an internet accessible device including but not limited to a mobile device, computer, or tablet.

“**Electronic Deposit**” refers to an Electronic Payment made to your PSECU deposit account.

“**Electronic Payee**” is a merchant/individual/company accepting only electronically transmitted payments.

“**Electronic Payment**” refers to a wire transfer or ACH Credit transfer and specifically does not include an ACH Debit transfer. Some examples of ACH Credit transfers include payroll, Social Security benefits, and pension or retirement payments.

“**ET**” refers to Eastern Standard Time or Eastern Daylight Time as applicable and hereinafter referred to as Eastern Time (ET).

account, however, if each member on the account has a transaction account relationship with the depository institution that is at least 30 calendar days old or if each member has had an established transaction account with the depository institution within the 30 calendar days prior to opening the second account.

**“Nonproprietary ATM”** refers to an ATM that is not a proprietary ATM.

**“Payment Date”** is the date You have scheduled any payment to be processed, mailed, or transmitted by Us. If the Payment Date is on a holiday or weekend, the disbursement will be mailed or transmitted on the last business day before the holiday or weekend. Business days are Mondays through Fridays, exclusive of Our designated holidays.

**“Personal Identification Number” or “PIN”** refers to the identification number that You select as your credentials in order to access Your account and/or use the ATM service associated with the Debit card.

**“Point-of-Sale (POS)”** refers to any purchase of goods and services (“Purchase”) that You make with Your Debit card at any retail establishment (“Merchant”) that requires a signature on a receipt or the key entry of a PIN to validate the Transaction.

**“Proprietary ATM”** refers to an ATM that is (1) Owned or operated by or operated exclusively for PSECU (2) Located on the premises (including the outside wall) of PSECU; or (3) Located within 50 feet of the premises of PSECU, and not identified as being owned or operated by another entity.

**“Transaction” or “Transactions”** refer to each and all transfers, withdrawals, deposits, payments, items, presentments, fees, and other transactional activity made to or from Your accounts regardless of medium (e.g., paper check, ACH, or other electronic Transaction and including through the use of the Debit card or ATM). Where applicable throughout these terms and conditions, Debit card purchases and ATM withdrawals have been specifically excluded in the use of the term Transaction.

**“You”, “Your” or “Yourself”** refers to applicant, member, joint owner, and accountholder as applicable.

**“We”, “Us”, “Our” or “Ours”** refers to Pennsylvania State Employees Credit Union (PSECU).

## **SECTION 1: ACCOUNT AGREEMENT**

**A. INTRODUCTION** – This document, along with any other documents We give You pertaining to Your account(s), is a contract that establishes rules that control Your account(s) with Us and includes certain Disclosures. Pennsylvania State Employees Credit Union (PSECU) is a state-chartered credit union. Please read this carefully. All terms and conditions, including any fee schedule, are subject to change at any time. We will announce all changes as required by law or regulation. Any changes to this agreement required by law are effective as of the date established by the relevant law. By becoming a member of PSECU or using Our services, You agree to these terms and conditions including all future changes, additions and/or deletions.

Visit [psecu.com/disclosures](https://psecu.com/disclosures) for the current version.

**The deposit and membership relationship between You and Us is governed primarily by this agreement. It is also governed by: certain state and federal laws; the applicable rules or regulations of other proper regulatory and insuring authorities; and Our Bylaws and policies.** If any provision of this agreement is declared invalid, unenforceable, or illegal, that part will not affect the validity of other provisions. Except for the Arbitration provision, which is governed by federal law as stated herein, this agreement is to be construed and will be governed in accordance with the laws of the Commonwealth of Pennsylvania without regard to the conflicts of laws provisions. You acknowledge that any disputes regarding this agreement and Your account relationship shall be subject to the jurisdiction of the courts in Dauphin County, Pennsylvania.

You agree to advise Us of changes to your mailing address and email address, if you have one, in a timely manner. This account may not be transferred or assigned without Our prior written consent.

**Any financial service provided by Us may be used for any Transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default or breach of contract.** Use of any financial service in a manner not permitted by law may cause that service or related services to be terminated at Our discretion. You further agree, should illegal use occur, to waive any right to sue Us for such illegal use or any activity directly or indirectly related to it. Additionally, You agree to indemnify and hold Us harmless from any suits or other legal action or liability directly or indirectly, resulting from such illegal use.

**We reserve the right to decline any Transaction that We consider fraudulent, suspicious, or illegal. We will not knowingly authorize charges related to unlawful Internet gambling.** It is a federal crime to willfully or negligently provide incomplete or incorrect information on requests made to state-chartered credit unions insured by the National Credit Union Administration.

For current rates, see [psecu.com/rates](https://psecu.com/rates) or call **800.237.7328**. For current fees, refer to our Fee Schedule at [psecu.com/disclosures](https://psecu.com/disclosures).

## **B. DISPUTE RESOLUTION – BINDING ARBITRATION AND CLASS ACTION WAIVER**

**READ THIS PROVISION CAREFULLY; IT AFFECTS YOUR LEGAL RIGHTS. THIS AGREEMENT REQUIRES, AT THE ELECTION OF EITHER YOU OR US, THAT LEGAL CLAIMS AND DISPUTES BETWEEN YOU AND PSECU WILL BE RESOLVED BY AN INDIVIDUAL BINDING ARBITRATION PROCEEDING (“Arbitration”) AND THAT YOU HAVE AGREED NOT TO RESOLVE SUCH CLAIMS OR DISPUTES AS A REPRESENTATIVE PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS ACTION PROCEEDING.**

Except as expressly provided herein, or otherwise prohibited by law or regulation, any and all disputes, claims, or controversies arising out of, connected to, or in any way related to Your past or present relationship with PSECU, including but not limited to disputes, claims or controversies

concerning this Arbitration provision, the PSECU Agreements and Disclosures, Your membership in PSECU, Your accounts at PSECU and/or any products or services related to Your accounts, (hereinafter collectively referred to as the “Dispute”) shall, at the election of either You or Us, be resolved by binding Arbitration on an individual basis, without resort to any form of class action, and regardless of applicable legal theory applied or remedy sought, legal or equitable. Dispute includes claims made directly by You and any Dispute made by third parties connected to You or Your accounts even if the Dispute arises out of, affects or relates to conduct that occurred prior to, or involves rights that accrued prior to, this Arbitration provision becoming part of the PSECU Agreements and Disclosures. This Arbitration provision is entered into and agreed to, and shall be interpreted and enforced pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1-16, notwithstanding any state law to the contrary.

IN ARBITRATION, THE DISPUTE IS RESOLVED BY A NEUTRAL ARBITRATOR INSTEAD OF A JUDGE OR JURY. YOU ACKNOWLEDGE THAT ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IF ARBITRATION IS INITIATED BY ANY PARTY WITH RESPECT TO A DISPUTE, NEITHER YOU NOR PSECU WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN A COURT OF LAW.

Notwithstanding anything contained herein to the contrary, this provision or an Arbitration shall not limit the right of either party to: (1) obtain provisional or ancillary remedies, such as injunctive relief, writ of attachment, or protective order from a court having jurisdiction before, during or after the pendency of any Arbitration; (2) exercise permissible self-help remedies, such as setoff; (3) evict and/or foreclose against or sell any real or personal property collateral by the exercise of a power of sale under a mortgage or other security agreement or instrument, a deed of trust, or applicable law; and, (4) seek relief in small claims court (or an equivalent court in the state in which the member resides), for any Dispute within the scope of the small claims court’s jurisdiction, however, if a claim is brought, transferred, removed or appealed to a different court, such claim shall be subject to arbitration pursuant to this Arbitration provision.

Written notice shall be given for any Dispute and shall state the factual basis of the Dispute, the amount involved, and the relief requested. The binding Arbitration proceeding shall be administered and conducted by the American Arbitration Association (“AAA”) under the AAA Consumer Rules and procedures in effect at the time the Dispute is filed in accordance with the AAA Consumer Rules. The Rules can be obtained on the AAA website free of charge at [www.adr.org](http://www.adr.org). The Arbitration shall take place within 50 miles of your U.S. residence at the time the arbitration is commenced or at another place that both You and PSECU agree. Jurisdiction for any litigation authorized by this Arbitration provision, or to seek judgment on any award by the arbitrator, shall be in the Dauphin County Court of Common Pleas or the United States District Court for the Middle District of Pennsylvania or in any court having jurisdiction. A single arbitrator will conduct the Arbitration and shall be an attorney or retired judge. If the parties cannot agree on an arbitrator, one may be appointed in accordance with the AAA Consumer Rules. The arbitrator shall decide the Dispute in accordance with applicable substantive law and the terms of this Arbitration provision. The arbitrator shall not be permitted

to make errors of law. The arbitrator shall be entitled to award the same remedies that a court can award, including any kind of injunctive relief that could be awarded by a court. The arbitrator shall issue a reasoned, written opinion. The arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes, and except with respect to an error of law, the arbitrator's award is not subject to review by the court and cannot be appealed.

The parties shall pay administrative, hearing and arbitrator fees in accordance with the administrator's rules and fee schedules. We will always pay any fees or expenses that We are required to pay by law or the administrator's rules or that We are required to pay for this Arbitration Provision to be enforced.

This Arbitration provision shall survive (i) termination of Your accounts or any related services; (ii) changes to Your accounts or related services; (iii) the bankruptcy of any party; (iv) other legal proceedings; (v) transfer or assignment of Your Accounts or any related services; and (vi) any use of the right to setoff or other self-help remedies. Any determination as to whether this Arbitration provision is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Dispute is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the court. In the event the Class Action Waiver in this Arbitration provision is found to be unenforceable for any reason, the remainder of this Arbitration provision shall also be unenforceable. If any provision in this Arbitration provision, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions shall remain fully enforceable.

**CLASS ACTION WAIVER** – The parties agree that any and all Disputes must be brought on an individual basis, and not as a plaintiff or class member in any class or representative arbitration proceeding or similar proceeding (“Class Action”). The parties expressly waive any ability to maintain a Class Action in any form. The parties agree to arbitrate solely on an individual basis, and that this agreement does not permit class arbitration, or any claims brought as a plaintiff or class member in any class or representative arbitration proceeding. The arbitrator may not consolidate more than one person's claims and may not otherwise preside over any form of a representative or class proceeding. **ANY ARBITRATION OF A DISPUTE WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT BASED IN WHOLE OR IN PART ON A DISPUTE WITH PSECU.**

### **C. STATUTORY LIEN AGREEMENT/SET-OFF RIGHTS**

You acknowledge that We have an automatic statutory lien against all funds deposited with Us whether deposited into an account for You alone (“Individual Account”) or into an account for You and another person or persons (“Joint Account”). You agree for Yourself and with any other person whose name appears with Yours on the account records of PSECU that all funds deposited in Your Individual or Joint Account are fully available to pay any negative balance in another deposit account or to pay any amount owing on any loan or other extension of credit, regardless of whether the account records of PSECU for such other deposit account or loan or other extension of credit account indicate such deposit account to be an Individual account



for You alone or a Joint Account for You and other persons. Each depositor acknowledges that We have the right to charge or set-off against any PSECU deposit account for any debt or other obligation owing by a depositor named on the PSECU account records, either individually or jointly, except where such PSECU deposit account is an Individual Retirement Account or is otherwise protected from set-off under state or federal laws. Each depositor agrees that when exercising this right to set-off We may take all funds on deposit to repay the obligation of each, either, or all depositors identified on the PSECU account records.

## **U.S.A. PATRIOT ACT IDENTITY VERIFICATION NOTICE**

Important Information About Procedures  
for Opening a New PSECU Account

To help our government fight the funding of terrorism and stop money laundering activities, Federal law requires all financial institutions, including PSECU, to obtain, verify and record information that identifies each person who opens an account.

What this means for You: When You open an account, We will ask for Your name, address, date of birth, Taxpayer Identification Number (TIN) usually Your Social Security Number) and other information that will allow Us to identify You. We may also ask to see Your driver's license or other identifying document(s). The law requires Us to maintain records of identification verification and periodically update this information.

Please be assured that the same strict confidentiality of Your information maintained by PSECU will be continued as required under the Gramm-Leach-Bliley Privacy Act and PSECU's Privacy Policy.

### **D. MEMBERSHIP**

To join PSECU you must become a member. Eligibility for membership with Us is limited to persons within groups that are approved by the Pennsylvania Department of Banking and Securities. Each member must maintain at least one Regular Savings Share ("membership share"), with a minimum \$5 balance. As a credit union member, You have two fundamental rights: the right to vote; and the right to own shares.

You authorize Us to check Your account, credit and employment history, and obtain information from third parties, including consumer reporting agencies and credit reporting agencies, to obtain copies of Your consumer and credit reports to verify Your eligibility for the accounts and services You request.

We may suspend member services. If We suspend Your member services that means, for any account(s) on which You are an owner, joint owner, or co-borrower, We may restrict (1) Your Digital Banking access, (2) use of all cards (credit and debit), (3) use of checking services, or (4) any other PSECU services.

Reasons for suspension, include, but are not limited to the following:

- Violating the Bylaws, Agreements and Disclosures, or any other agreement made between the member and Us for use of a product or service (examples include, but are not limited to: non-payment

of past due loans, not resolving negative share balances, or misuse of card services);

- Using any financial service in a manner We consider fraudulent, suspicious, or illegal; and
- Engaging in abusive, threatening, harassing, or likewise inappropriate behavior.

We will provide notice of the suspension to You. Notice to any one owner is notice to all owners. If Your services are suspended, You may apply for services after a designated waiting period established by Us. We may also expel a member as provided in PSECU's Bylaws. If there is no financial activity for a year or more, Your account (all shares, services, and loans including Visa®) will be considered dormant and We may assess a fee.

## **E. ACCOUNT TYPES**

The classification, ownership, and type of Your account are designated on the application when You open the account. We reserve the right to refuse certain types of account ownership. We make no representations as to the appropriateness or effect of the ownership except as it determines to whom We pay the account funds.

**INDIVIDUAL ACCOUNT** - An account in the name of one person. As an individual account owner, You are the only person authorized to perform Transactions on the account.

**JOINT ACCOUNT** - An account in which ownership is shared by the member with one or more persons. The account is owned jointly with the right of survivorship. We may accept orders, instructions, and Transactions from any account owner. Being a joint owner does not establish credit union membership. **Adding a joint owner requires an application** to change account ownership.

### **Each joint owner may:**

- make deposits into the account;
- withdraw any or all of the funds on deposit (excluding IRAs) without the consent of the joint owners;
- pledge shares in this account as collateral security to a loan on another account in which he/she is an owner; and
- make requests for future services.

### **In addition to the above, each joint owner:**

- agrees to be liable for any negative balances, including fees and costs, created by the actions of any joint owner, in any jointly held account; and
- authorizes Us to reverse and deduct any amounts We receive for deposit if the payee is neither an owner nor joint owner of the account.

**If We receive written notice of a dispute between account owners or receive inconsistent instructions from them, We may:**

- suspend or terminate the account;
- require a court order to act; or
- require that all account owners agree in writing to any Transaction concerning the account.

**We will lend only to Our members.** Loans may be requested either by the member only (individual credit) or by the member and any other person (joint credit). Individual credit cannot be granted to account owners who are joint owners.

**MINOR ACCOUNTS** - We offer Minor accounts for Individuals and Joint Owners.

**Individual Account Owned by a Minor (13-17 years of age)** - Under Pennsylvania law, account activities by minor members are binding upon him/her as if he/she were of full age. The minor may make deposits into the account, withdraw any or all of the funds on deposit, and if applicable, stop payment on any checks drawn on the account. The parent or guardian will not have the power to attach or transfer any shares issued to the minor. Loans are not permitted on individual Minor accounts.

**Joint Account with a Minor (13-17 years of age)** - For any account established by a minor, We reserve the right to require a joint owner who is at least 18 years old and will be primarily liable to Us for any returned item, overdraft, or unpaid charges. Other than these provisions, the rules governing standard joint accounts established with a minor and joint account owned by adults are the same (See Page 7, "Joint Account"). We may make payments of funds directly to the minor without regard to his/her age. We have no duty to inquire about the use or purpose of any Transaction by the minor or any account owner. We will not change the account ownership status when the minor becomes 18 years old unless authorized in writing by all account owners on the appropriate PSECU form.

## **F. SPECIALTY ACCOUNTS**

You should read the following descriptions and determine which type of account ownership You prefer before establishing the account.

**1. CUSTODIAL ACCOUNT** - Your rights and duties are governed by the Pennsylvania Uniform Transfers to Minors Act ("UTMA"). The act allows parents or other interested persons (the custodian) to make an irrevocable gift to a minor without needing a court-appointed guardian. The minor is the sole owner of the account but has no transactional authority. A successor custodian can be named on the application to serve in the event of death, incapacity, or resignation of the custodian. Successor custodians, however, have no access or rights to the account while the custodian is acting. Dividends on the account are reported to the IRS as income to the minor. The custodian retains authority to deal with the property, serving the interests of the minor until the minor reaches the age of 21, unless otherwise provided for under the UTMA laws. After the minor reaches the age of 21, the custodian must close or transfer the account using the required PSECU forms. We will not close this type of an account at the minor's request without a court order. Loans are not permitted on Custodial accounts.

**2. TRUST ACCOUNTS** - We offer two types of trust accounts. **Trust** - Is held by one or more trustees for the benefit of one or more beneficiaries based on a trust agreement. Please have Your attorney develop and review all trust agreements. Upon Our request, the trustee will provide Us with a copy of the full trust agreement. The settlor of the trust must be a member of PSECU. We are not authorized to act as a trustee or to monitor

the activities of the trustee(s). The trustee agrees to notify Us in writing if a change of trustee occurs.

**Tentative Trust** - Is revocable, and the account owner(s) can make any changes to the account anytime. The account owner(s) can designate beneficiaries at any time, not just at account origination, on the account to be paid upon the account owner's death and can change beneficiaries on the account anytime. The account owner(s) is in full control of the account and can perform all Transactions on it (including share deposits, transfers, and withdrawals) and can apply for and receive loans. Designated beneficiaries of Tentative Trust accounts do not have transactional authority. The Tentative Trust Application is the only form necessary to open a Tentative Trust account.

**3. REPRESENTATIVE PAYEE ACCOUNT** - Is for individuals receiving a Social Security benefit. You must contact the Social Security Administration to determine the requirements for establishing a Representative Payee account. The account must typically be set up in the name of the person receiving Social Security benefits (the beneficiary). The beneficiary must be eligible for PSECU membership, the Representative Payee does not have to be eligible for membership. The beneficiary is not permitted to conduct Transactions on the account. Only the Representative Payee may transact or obtain information on the account. Loans are not permitted on Representative Payee accounts.

**4. VA FIDUCIARY ACCOUNT** - Is for individuals receiving benefits from the Veteran's Administration. The account must be set up in the name of the person receiving VA benefits (the beneficiary). The beneficiary must be eligible for PSECU membership, the VA fiduciary does not have to be eligible for membership. The beneficiary is not permitted to conduct Transactions on the account. Only the VA fiduciary may transact or obtain information on the account. Debit cards and loans are not permitted on VA Fiduciary accounts.

**5. COURT-ORDERED/GUARDIANSHIP ACCOUNT** - Is for accounts established under a court order, for example, a guardianship account or a court-ordered minor account. To request this type of account, You will need to provide Us with a valid court order that grants authority for such an account to be established. The court order must include any specific terms that are required. We may require a further order of the court to make any changes to the account, or to withdraw or transfer any funds. The person who is the subject of the court order must fall within Our field of membership.

**6. ESTATE ACCOUNT** - Is requested by the representative (the executor/ executrix or administrator/administratrix) of the estate. The representative must provide evidence of his/her authority to act on behalf of the estate. The representative must complete a membership application and provide the IRS letter containing the Tax Identification Number. The decedent must be eligible for membership.

**7. ORGANIZATIONAL ACCOUNT** - Is for an association or organization composed of persons who are within Our field of membership. Organizational accounts must be opened using a Federal Tax Identification Number and may have checking and ATM services. We will honor requests for Transactions made only by those persons authorized by the resolution as completed on the application. This account cannot be used for loan purposes.

## **G. BUSINESS ACCOUNTS**

A business membership application and other documentation are required to establish this account type. The business account is governed by the Business Terms and Conditions. For more information, please visit [psecu.com/banking/businesses](https://psecu.com/banking/businesses).

## **H. POWERS OF ATTORNEY (Not available on all account types)**

You may appoint an agent under a valid power of attorney. Before We can acknowledge authority of Your agent to act on Your behalf, We will require a properly executed power of attorney document for Our review. We recommend that You consult with an attorney for assistance with drafting a power of attorney document.

## **I. ACCOUNT STATEMENTS**

**Contents** - If a periodic statement is provided, You agree that only one (1) statement is necessary for joint accounts, mailed or emailed to the address of record provided for in connection with the account. For share draft or checking shares, You understand and agree that Your original check or draft, when paid, becomes the property of PSECU and may not be returned to You, but copies of the check or draft may be retained as required by law, by Us or by payable-through financial institutions and may be made available upon Your request for a fee as set forth in the fee schedule. You understand and agree the statements are made available to You on the date they are sent to You, whether by mail or electronic notice that statements are available for viewing. You also understand that checks, drafts, or copies thereof are made available to You, even though the checks or drafts do not accompany the statement.

**Examination** - You are responsible for examining each statement immediately upon receipt and reporting any irregularities to Us. If We suffer a loss because of Your failure to report any unauthorized signature on or alteration of a check to Us, You are precluded from asserting a claim against Us for that unauthorized signature or alteration. You will also be precluded from making a claim against Us for any unauthorized signature or alteration by the same wrongdoer if You do not report the first unauthorized signature or alteration by wrongdoer within 60 days from when We made that statement available to You showing the wrongdoer's first unauthorized signature or alteration. If You fail to report any irregularities such as forged, altered, unauthorized, unsigned, counterfeit, erroneous or otherwise fraudulent Transactions drawn on Your account or other discrepancies reflected on Your statement within sixty (60) days of the date We made the statement available to You, We will not be responsible for Your loss in connection with such irregularity reflected on Your statement and will have no obligation to credit Your account in the amount of the irregularity. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine. You agree not to institute any legal proceeding or action against Us for any claim which You may have regarding any such irregularities unless (1) You have given written notice to PSECU of the irregularity in the time frame described above, and (2) such legal proceeding or action has been commenced within one (1) year after the date when such statement was mailed or made available to You. The terms of Our Electronic Fund Transfers (Regulation E) Disclosures will control the process and time frame for reporting errors with electronic

fund transfers.

**Statement Concerns** - You agree that PSECU's retention of checks or drafts does not alter or waive Your responsibility to examine Your statements or the time limit for notifying Us of any irregularity. The statement will be considered correct for all purposes, and We will not be liable for any payment made or charged to Your account unless You provide notice to PSECU in writing within the time limit provided for in this agreement notifying Us of any irregularities. If You fail to receive a periodic statement, You agree to provide notice to PSECU within 14 days of the time You regularly receive a statement. If You do not receive a statement from Us because You have not supplied Us with Your correct mailing address or email address, We may stop sending Your statements until You supply Us with Your correct mailing address or email address, and We will have no liability to You for failure to provide a statement.

## J. ACCOUNT SECURITY

The following alone or in combination are the agreed-upon Account Credentials used to access Your PSECU account: PIN(s) (Personal Identification Number(s)), User ID(s), username(s), card PIN(s), Digital Banking password(s) and/or any biometric login(s). They identify You to Us, and We will rely on instructions received under these Account Credentials. You agree that the use of these Account Credentials will have the same effect as Your signature authorizing any Transaction. You are responsible for keeping all account data including the data tied to Your Account Credentials confidential.

Where You have authorized any other person to use Your Account Credentials in any manner, Your authorization is considered by Us to be unlimited in amount and duration. Granting another person access to Your account via any Account Credential will make You financially liable for any loss incurred or misuse of the account. The Electronic Fund Transfers (Regulation E) Disclosure contains more information regarding Your liability for unauthorized activity in Your account. Your authorization will be effective until:

- You have notified Us in writing that You have revoked the authorization;
- You have changed Your Account Credentials; and
- We have had a reasonable opportunity to act upon a request to change Your Account Credentials.

To maintain secure communications and reduce fraud, **You agree to protect Your Account Credentials.** We reserve the right to block access to Your account and services if We reasonably believe Your PIN(s) or password has been or is being used by an unauthorized person(s).

In cases where You mistakenly disclose confidential information to any individual who should not have access to Your account, You, the accountholder, are in the best position to prevent resulting fraudulent Transactions directed at Your account and to detect them if they occur. If You fail to do so or if You fail to do so in a timely manner, You may suffer a loss which We are not obligated to pay back to You. Examples of fraudulent Transactions could include when You mistakenly provide confidential information to a fraudster by phone, text, or email, and they use it to access Your account.

## **SECTION 2: CHECKING TERMS AND CONDITIONS**

### **A. INTRODUCTION**

You understand that a checking share is a credit-related service and authorize Us to obtain a credit report on any owners. We are authorized to honor checks executed by any one of the individuals listed as owners. We reserve the right to reject any checks, drafts, or other items payable to a person other than an owner of the account into which it is being deposited. Ownership of the checking share shall be determined by Your membership application and/or joint ownership agreement, if/as applicable. You agree that the use of this checking share constitutes acceptance of the terms and conditions.

From time to time, We may impose charges in connection with Your checking share in accordance with Our policy.

### **B. OVERDRAFT**

#### **Overdraft Liability**

You are responsible to have sufficient available funds in Your account to cover Transactions. An overdraft occurs each time You do not have enough money in the available balance in Your account to cover a Transaction at the time it is presented to PSECU for payment. PSECU may report information about your account to credit bureaus. Late payments, missed payments, negative share balances or other defaults on your account may be reflected in your credit report. When the Transaction is paid, Your account may be subject to a fee, as disclosed on the fee schedule. If We pay an overdraft ACH or Check (including Bill Payer Checks) You will be charged a Courtesy Pay Fee. If We decline to pay an overdraft ACH or Check (including Bill Payer Checks), it will be rejected as a returned item and You will not be charged a Non-Sufficient Funds (NSF) Fee. You will not be charged any fees if we decline to authorize a debit card payment transaction or ATM withdrawal. Courtesy Pay Fees (overdraft fees) and NSF Fees (returned item fees) are described in our Fee Schedule. Check (including Bill Payer Checks) and ACH payment transactions that are declined may be presented to us again for payment multiple times until paid. You may be charged a Courtesy Pay Fee each time a Check (including Bill Payer Checks) and ACH payment transaction is presented for payment even if it was previously declined. We offer the Overdraft Protection Transfer Service, at no cost, to avoid overdraft fees.

#### **Understanding Current vs. Available Balances**

Your current balance may differ from Your available balance. It is important to understand how both balances work to avoid overdrafts. We use your available balance at the time Transactions are presented to us to decide whether to authorize them for payment. We also use available balance at the time a Transaction is posted and actually paid to determine whether we will assess a Courtesy Pay Fee. Your current balance is defined as the full amount of all deposits made into Your account less payment Transactions that have posted to Your account. Current balance is the balance reflected on Your monthly statements. Your available balance is defined as the current balance less holds on deposits and amounts You have asked Us to authorize for certain purchases You have made with Your Debit card or Electronic Bill Payer Transactions. Available balance is the amount of money in Your account that is available for You to use. Both balances can be viewed in Digital Banking, at an ATM, by phone, or at a branch.

The difference in Your available balance versus Your current balance is most commonly due to holds on deposits or holds in place for Debit card purchases or Electronic Bill Payer Transactions. When You make a purchase using a Debit card, a merchant may electronically request a temporary hold on Your account for a specific amount, which may at times be more than the actual purchase amount. This temporary hold will eventually be released, typically occurring when the Debit card purchase or Electronic Bill Payer Transactions are posted to Your account. Until the Debit card purchase or Electronic Bill Payer Transaction posts, and the hold is released, Your current balance will be reduced by the amount of the authorized temporary hold, resulting in an available balance that is less than the current balance. Outstanding checks (including Bill Payer Checks) You have written which have not cleared Your account are not included in and do not reduce Your available balance.

### **Transaction Processing**

Checks (including Bill Payer Checks), ACH Transactions, and Electronic Bill Payer Transactions are processed in separate files that post at different times throughout the day depending on the type of Transaction.

Incoming checks (including Bill Payer Checks) clear in a member's account from lowest dollar amount to highest dollar amount for each file processed.

Incoming ACH Transactions clear in a member's account from lowest dollar amount to highest dollar amount for each file processed.

Electronic Bill Payer Transactions are posted in Bill Payment Number order for each file processed.

When posting checks (including Bill Payer Checks) and ACH Transactions, if there are no available funds in the checking share to pay the Transaction, Overdraft Protection Transfer Service will pull funds to pay the Transaction.

If the member has opted out of Overdraft Protection Transfer Service or no funds are available to transfer, then Courtesy Pay will be applied to the account if the member is eligible and has not opted out of the service. A Courtesy Pay fee will be assessed for each Transaction paid by Courtesy Pay. When the Courtesy Pay limit has been reached or eligibility criteria are not met, Transactions (except debit card purchases or ATM withdrawals) will be returned unpaid. Merchants or payees may present a check (including a Bill Payer Check) or ACH Transaction multiple times for payment if the initial or subsequent presentment is returned unpaid. Each presentment for payment is a separate and unique Transaction and if there are no available funds in the checking share to cover the Transaction and no funds are available to transfer according to the Overdraft Protection Transfer Service options, and the Courtesy Pay limit has been reached or eligibility criteria are not met, the Transaction (except debit card purchases or ATM withdrawals) will be returned unpaid. No NSF fee is charged when a debit card payment transaction is authorized on available funds but there are non-sufficient available funds when that debit card transaction is presented for payment. Instead, that debit card transaction will be paid as authorized even if it causes a negative balance in the account.

### **Non-Sufficient Funds (NSF)**

Non-Sufficient Funds (NSF) refers to the status of a checking share that does not have available funds to authorize or pay a Transaction when presented.



If a Transaction (except for debit card purchases or ATM withdrawals) is declined based on non-sufficient available funds, the Transaction will be returned unpaid and you will not be charged a NSF fee.

### **Overdraft Protection Transfer Service**

Members can enroll in the Overdraft Protection Transfer Service, a service that will pull money from another share or loan account in the event Your checking share does not have sufficient available funds to pay incoming Transactions. The default setting will transfer funds from Your Regular Shares. You may change Your settings within Digital Banking, calling a Member Service Representative at 800.237.7328, or completing the Modify Your Overdraft Protection Transfer Service Options form available on [psecu.com/forms](https://psecu.com/forms). There are no fees for this service.

Funds will be transferred to Your checking share from another share or loan account, as You have directed, in the event You do not have sufficient available funds to pay incoming Transactions, excluding ATM and one-time debit transactions. Account types that can be selected to pull funds to cover Your checking share include Your Savings Shares (Regular and Additional Savings Shares), Money Market Share, Founder's Visa® Credit Card or Classic Visa® Credit Card. Selecting a Visa® credit card as an Overdraft Protection Transfer Service option constitutes authorization to advance funds from Your loan as a cash advance and subject to all applicable Visa® credit card fees and interest. To set up a Visa Credit Card for Overdraft Protection Transfer Service, You will need to complete the Overdraft Protection Transfer Service form.

Overdraft Protection Transfer Service options are exhausted before Courtesy Pay is applied.

Overdraft Protection Transfer Service is not available for Custodial Accounts and also may not be available for some other Specialty Account Types.

### **Courtesy Pay**

We offer a discretionary service known as Courtesy Pay. If You opt-out of Courtesy Pay it will not be available to You. If You do not opt-out of Courtesy Pay, if a check (including Bill Payer Check) or ACH Transaction is presented for payment and Your account does not have a sufficient available balance to pay it, then We may choose to pay that check (including a Bill Payer Check) or ACH transaction and overdraw Your account and Your account will be charged a Courtesy Pay fee (overdraft fee), as disclosed in the fee schedule. Courtesy Pay is not available for one-time debit card purchases, ATM or Electronic Bill Payer Transactions.

After an account has been opened for 90 days, qualifying members are automatically enrolled in Courtesy Pay if eligibility criteria are met and a member is in good standing as defined by PSECU's Bylaws. Basic Service Accounts are ineligible for Courtesy Pay.

The Courtesy Pay limit is \$500.00. Courtesy Pay fees as well as the amount of the overdraft item will be subtracted from the Courtesy Pay limit. Subject to the Courtesy Pay limit of \$500.00, there is no separate limit to the number of Courtesy Pay fees or the total amount of Courtesy Pay fees that may be

incurred per day if You overdraw Your account. When the Courtesy Pay limit is reached, Transactions (except for debit card purchases or ATM withdrawals) will be returned unpaid.

We have no obligation to notify You if Your account does not have sufficient available funds to pay a Transaction. Except as otherwise agreed in writing, if We use our discretion to pay a Transaction and charge a Courtesy Pay fee, We are not obligated to pay such Transactions in the future and may discontinue paying such Transactions at any time without notice.

On Your periodic statement, the Aggregate Box includes both Courtesy Pay (overdraft - paid check or ACH) and NSF (returned item - unpaid check or ACH) line items from Transaction history. Total Overdraft fees includes the total of Courtesy Pay fees assessed in the statement period and total Courtesy Pay fees assessed in the calendar year. Total Returned Items Fees includes the total of NSF fees assessed in the statement period and total NSF fees assessed in the calendar year.

### **How to Opt-Out of Courtesy Pay**

If You do not want Courtesy Pay to be available on Your checking share, You can opt-out at any time by calling 800.237.7328.

If You have opted-out of Courtesy Pay and would like to opt back in, You can do so at any time by calling 800.237.7328.

**Stop Payment Orders** - If You do not want Us to pay a check You have written, You can order Us to stop payment. You can notify Us by mail, by telephone, by secure email within Digital Banking, by completing a stop payment form in Digital Banking, or by telling Us in person. For an immediate response, telephone notification is the best method by calling 800.237.7328.

A stop payment order must be received prior to the presentation of the Check for payment. An oral stop payment order lapses after 14 calendar days unless it is confirmed in writing within that period. A written stop payment order will be valid upon receipt by Us and is effective for six months.

If a stop payment form is filled out using Digital Banking, the order will be valid for six months. We have no obligation to notify You upon the expiration of a stop payment order. To place a valid stop payment order, You must provide Us with the check number and Your account number. We are not responsible if stop payment orders cannot be completed due to incorrect information You supplied to Us or Your failure to provide any other reasonable information regarding the item. We are entitled to a reasonable period of time after receiving a stop payment order to act upon Your request. If this is a joint account, we will accept a stop payment order from any owner regardless of who wrote the check. We may assess a fee for a stop payment order in accordance with Our fee schedule.

**Specialized Checks** - Stop payment orders on PSECU Cashier's Checks are not permitted. However, if a PSECU Cashier's Check is not received, or was lost, stolen, or destroyed after receipt, the member or payee on that PSECU Cashier's Check can contact PSECU and request either the issuance of a replacement PSECU Cashier's Check or the reversal of the PSECU Cashier's Check Transaction in the member's account.

**Stale Checks** - We are under no obligation to do so, but We may pay a check,

which is presented more than six months after its date.

**Postdated Checks** - You agree not to date a check later than the date that You write it. If You do write a postdated check and it is presented for payment prior to its written date, We will not be responsible for paying it prior to the written date and may debit Your account for the amount of the check when it is presented.

**Conditions/Notations on Checks** - You agree that if You add any comments or notations (e.g. “payment in full,” “for full satisfaction,” “not valid after 30 days,” “two signatures required”) to any payment checks or checks for deposit, We will not take the check subject to any such comments or notations and We may disregard such comments or notations and process the check according to Our standard procedures without prejudice. You further agree that We will not be responsible for any claim of loss, damages, expenses, or non-payment which might arise as a result of the additional comments or notations You have made on the check. We will not be liable for paying or not paying a check or other item that contains additional language.

**Electronic Check Conversion** - In this process, Your check is used as a source of information for the check number, Your account number, and the number that identifies Us in the banking system, Our routing transit number. The information is then used to make a one-time electronic payment from Your account. This action is called an electronic fund transfer. The check itself is not the method of payment.

**You have the rights to:**

- receive notice when You provide Your check telling You that information from the check will be used to make an electronic payment from Your account;
- receive a notice telling You of any fee that the merchant will collect from Your account electronically, if You do not have enough funds in Your account to pay the Transaction when You provide Your check. This fee is similar to a merchant “bounced check”;
- receive a receipt when You make a purchase at a store. The receipt should contain information about the Transaction, including date, amount, and location and name of the merchant;
- have this same information included as part of the regular account statement; and
- ask Us to investigate any electronic fund transfers from Your account that You believe are unauthorized or incorrect.

## **C. SUBSTITUTE CHECK POLICY DISCLOSURE**

### **SUBSTITUTE CHECKS AND YOUR RIGHTS - Important Information About Your Checking Share**

**What is a Substitute Check?** To make check processing faster, federal law permits financial institutions to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that You receive back from Us may be substitute

checks. This notice describes rights You have when You receive substitute checks from Us. The rights in this notice do not apply to original checks or to electronic debits to Your account. However, You have rights under other law with respect to those Transactions.

**What Are My Rights Regarding Substitute Checks?** In certain cases, federal law provides a special procedure that allows You to request a refund for losses You suffer if a substitute check is posted to Your account (for example, if You think that We withdrew the wrong amount from Your account or that We withdrew money from Your account more than once for the same check). The losses You may attempt to recover under this procedure may include the amount that was withdrawn from Your account and fees that were charged as a result of the withdrawal.

The amount of Your refund under this procedure is limited to the amount of Your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of Your refund if Your account is an interest-bearing account. If Your loss exceeds the amount of the substitute check, You may be able to recover additional amounts under other law.

If You use this procedure, You may receive up to \$2,500 of Your refund (plus interest if Your account earns interest) within 10 business days after We received Your claim and the remainder of Your refund (plus interest if Your account earns interest) not later than 45 calendar days after We received Your claim.

We may reverse the refund (including any interest on the refund) if We later are able to demonstrate that the substitute check was correctly posted to Your account.

**How Do I Make a Claim for a Refund?** If You believe that You have suffered a loss relating to a substitute check that You received and that was posted to Your account, please contact Us by telephone at: 800.237.7328 or write Us at: PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013. You must contact Us within 40 calendar days of the date that We mailed (or otherwise delivered by a means to which You agreed) the substitute check in question or the account statement showing that the substitute check was posted to Your account, whichever is later. We will extend this time period if You were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why You have suffered a loss (for example, You think the amount withdrawn was incorrect);
- An estimate of the amount of Your loss;
- An explanation of why the substitute check You received is insufficient to confirm that You suffered a loss; and
- A copy of the substitute check and/or the following information to help Us identify the substitute check: For example, the check number, the name of the person to whom You wrote the check, the amount of the check.

### **SECTION 3: DEBIT CARD TERMS AND CONDITIONS**

These terms and conditions govern the Visa® Debit card (“card”). The use

of this card will signify Your acceptance of the terms and conditions. If two or more persons have signed the Debit card application to which these terms and conditions apply, You jointly and individually agree to the terms and conditions. Debit card service is governed by Electronic Fund Transfers (Regulation E) Disclosure. To read this disclosure, see page 25.

The cards remain Our property, and You must recover and surrender to Us all cards upon our request and upon termination of these terms and conditions. You agree that the Debit card is non-transferable.

**Debit Card and ATM Transactions** - You agree that We may debit and credit the shares and line of credit accounts associated with the Debit card issued to You in accordance with the instructions You give.

**AFFECTED ACCOUNTS** - You agree that Your Checking share will be subject to these terms and conditions and the Transactions that they describe. You also acknowledge that You are listed as an individual or joint owner of the Checking share. You also agree that any account that You have set up for Overdraft Protection Transfer Service, including any line of credit, will also be subject to these terms and conditions and the Transactions they describe. Should We receive any Debit card or other debit Transaction that is greater than the available balance of funds in Your checking share, We may, at our sole option and without regard to which cardholder completed the Transaction, either settle the Transaction and add the excess to any loan that You may have set up as Overdraft Protection Transfer Service or deduct it from any share You have set up as Overdraft Protection Transfer Service. The exercise by Us of any Overdraft Protection Transfer Service option to any line of credit constitutes authorization by You to advance funds from Your line of credit regardless of whether the joint accountholder is also a party to the line of credit. All owners agree to be liable for any negative balances, including fees and costs, created by the actions of any joint owner, in any jointly held account. If We sue You to collect any outstanding negative account balances, You agree to be liable for Our costs and expenses, including reasonable attorneys' fees incurred in connection with the suit. You also agree that these terms and conditions will apply to deposit and line of credit accounts that You have with Us now and in the future.

**The following Debit card Transactions are permitted:**

**DEBIT CARD TRANSACTIONS** - The Debit card can be used without Your PIN for Point-of-Sale Transactions with Merchants that accept Visa® Debit card Transactions. You agree that We may treat the instructions that You give in this way as if they were written orders bearing Your genuine signature.

The card with Your PIN can be used at ATMs and POS locations. You may use the card at an ATM to: (1) withdraw cash; (2) make deposits; (3) effect transfers; or (4) receive information regarding the balance in Your account(s).

You further understand You may use the card to Purchase goods and services ("Purchase") at any Merchant where the card is accepted by such Merchant.

If You use the card to make a Purchase or to obtain cash, if permitted by the Merchant, You shall be requesting Us to withdraw funds in the amount

of such Purchase (including any cash received from the Merchant) from Your Checking share and directing or ordering Us to pay such funds to the Merchant.

**USE OF PIN** - You acknowledge that the PIN You use with the card is Your signature, identifies You to the PLUS® or STAR® system or other network ATM, and authenticates and validates the directions given just as Your actual signature and other proof to identify You. You also understand that a Merchant that accepts the card for a Purchase Transaction may have an electronic terminal (Merchant operated or self-service), that requires the use of Your PIN and when Your PIN is used at a Merchant's terminal, it will authenticate and validate the directions given just as Your actual signature will authenticate and validate Your directions given to Us. You acknowledge that Your PIN is an identification code that is personal and confidential and that the use of Your PIN with the card is a security device for Your account(s). Therefore, You agree to take all reasonable precautions that no one else learns Your PIN.

**LIABILITY FOR UNAUTHORIZED TRANSACTIONS** - If anyone repeatedly tries to use an incorrect PIN to order any electronic Transactions from Your shares, We may prevent further use of Your Debit card and ATM PIN. See Regulation E Disclosure section on page 25 for additional information on error resolution.

**PREAUTHORIZED PURCHASES** - We may suspend preauthorized Purchases if Your Debit card is lost or stolen or Your Debit card number or expiration date changes. While the preauthorized Purchases are suspended, You are responsible for making payment directly to the Merchant.

**FEES - ATM TRANSACTIONS** - You agree to pay a fee in accordance with Our fee schedule for each returned deposited item. You agree to pay the charges or Transaction fees that are charged by Us for these services or for services that may later be offered as such fees or charges may be imposed or changed from time to time. You agree to pay a fee in accordance with Our fee schedule for each ATM deposit adjustment (entry errors, math errors, incorrect endorsements, etc.).

**RUSH FEES** - You may incur additional charges for rush processing and rush delivery of the card(s) and/or PIN mailers.

**SALES DRAFT COPIES** - You may incur an additional charge for Transaction summary/sales draft documentation.

**DEBIT CARD FUNDS AVAILABILITY** - You agree that if You make deposits or payments to Your account(s) with items other than cash (checks, drafts or other items) and We make funds available to You from such deposits prior to their collection, You agree that We may deduct the amounts of such funds from Your account(s) that are not collected, or if the funds in Your account(s) are insufficient at such times, You will promptly pay Us any amount of such funds that are not collected. See page 30 to read PSECU's Availability of Funds and Disclosure of Funds Availability Policy.

**CHANGES & TERMINATION** - You agree that We may add or discontinue services and fees for services and make other changes to these terms and conditions. We will announce all changes as required by law or regulation. Any changes to these terms and conditions that are required by law are

effective as of the date established by the relevant laws. We may terminate these terms and conditions in the same way.

**INACTIVE DEBIT CARD** - Inactive Debit card accounts that have no Purchase or ATM activity for over one year may be closed without notice to You.

**REVOCATION OF DEBIT CARD** - The Debit card is Our property. We reserve the right to revoke the Debit card and to require You to return the Debit card. You agree to return the Debit card to Us upon Our request.

**REFUNDS** - You agree to settle all issues regarding goods and services that You purchased with the card with the merchant who honored the card. Any refunds to You by a merchant or seller of goods or services must be made on a credit voucher and submitted to Us by the merchant or seller.

**SPECIAL RULE FOR CREDIT PURCHASES** - These are signature-based purchases. Contact Us if: You disagree or find an error with a Visa® Transaction or the charges are the result of unauthorized or fraudulent use; or Your purchase cost more than \$50 and was made from a merchant in Your state or within 100 miles of Your address of record.

**ILLEGAL TRANSACTIONS PROHIBITED** - You agree that You will not use Your card for any Transaction that is not permitted by law. We will not knowingly authorize charges related to unlawful internet gambling.

**NEURAL NETWORK** - We use neural network systems to predict and prevent unauthorized Transactions. There may be occasions when a Transaction is declined because it is indicative of possible fraudulent activity. We reserve the right to decline any Transactions that We consider fraudulent, suspicious, or illegal.

**VISA® ACCOUNT UPDATER SERVICE** - If You provide Your Debit card number to a Merchant with authorization to bill Your Debit card for recurring payments, or to keep it on file for future purchases or payments, and Your Debit card number or expiration date changes, You should notify the Merchant with Your new Debit card information. We participate in the Visa Account Updater Service (VAU Service), and unless You have opted out of the service, We provide updated Debit card information to the VAU Service. If a merchant participates in the VAU Service, that merchant will receive the updated Debit card information. Changes to Your Debit card number due to reported fraud will not be provided to the VAU Service. Because not all merchants participate in the VAU service, We recommend You notify each merchant of Your new Debit card number and/or expiration date to ensure Your payments continue uninterrupted.

## **SECTION 4: TELEPHONE BANKING SERVICES**

Our self-service telephone banking service allows You to perform many common Transactions on Your account. Your member account number and PIN You use to access the telephone banking system acts as Your authorization to complete Transactions.

Telephone banking Transactions are governed by Electronic Fund Transfers (Regulation E). To read this disclosure, see page 25.

## SECTION 5: DIGITAL BANKING SERVICES

**Electronic Disclosures and Terms and Conditions** - Before using any digital service, You are required to read and agree to electronically sign related terms and conditions and/or disclosures. We may add new services. Currently We offer the following services within Digital Banking for eligible accounts: Bill Payer service, e-Alerts, e-Statements, FICO® Score Service, Member-to-Member, Person-to-Person (P2P) transfer service, and External Account Transfer. We also offer mobile services, including the Remote Deposit feature in Our Mobile app. We may also offer other mobile applications from time to time. FICO is a registered trademark of Fair Isaac Corporation in the United States and other countries.

## SECTION 6: BILL PAYER TERMS AND CONDITIONS

**ESTABLISHING BILL PAYER SERVICE** - All loans must be current and a minimum \$5 share balance must be maintained in Your Regular Savings share. All Bill Payer Transactions are processed (electronic transmission or check printed and mailed) from Your checking share. You may apply for the service either by activating the service online or by paper application. If You submit a paper application, You will be notified when Your application is approved. If We must decline Your application, We will notify You. Bill Payer payments will be made only to Payees designated by You and approved by Us. Payees will be considered approved by Us when they become available on the Master Payee Listing in Digital Banking, or when added to Your personal account if You are using a paper application.

You authorize Us to send remittances to the Payees You list using Digital Banking, on the Bill Payer application or amendments. In exchange for receiving the Bill Payer service, You agree to be responsible for the following:

- assuring accuracy of the information provided;
- verifying that payment information is correct before allowing the Transaction to occur;
- reporting any discrepancies to Us immediately upon discovery;
- allowing sufficient time for processing any modification of information;
- verifying with Payees that the Bill Payer service is appropriate for payment. **Note:** the service does not use payment coupons;
- resolving any overpayment, late payment, missed or nonreceipt of a payment, or charges assessed by Payees;
- funding Your account sufficiently, including overdraft options, so that payments may be satisfactorily completed; and
- allowing sufficient processing time when scheduling payments.

We recommend sending check payments 5-10 days before Due Dates and electronic payments at least three business days before Due Dates. Payments will be Your sole responsibility, if delayed or improperly processed or credited.

**Payment Instructions** - You may use Our Bill Payer service to authorize recurring and non-recurring bills. A recurring bill is for a fixed amount sent on a specific frequency (weekly, biweekly, semimonthly, monthly, quarterly, semiannually, or annually). A non-recurring bill or “on demand” must be scheduled each time You want the Bill Payer payment made.



You may have up to 80 active bills assigned to Your account at any one time. These bills will be primarily identified by a 1 to 80 numbering system assigned automatically by Us.

You may schedule payments by one of two methods: (1) Digital Banking or (2) paper amendment. After We receive Your payment instructions, the Bill Payer system will make Your payment by transmitting funds electronically to an “Electronic Payee” or by preparing a check from your Checking share and mailing it to a “Check Payee.” We will tell You how payments will be made (whether by check or electronically). We reserve the right to change these payee types from time to time and as necessary.

**Payment Scheduling** - Bill Payer creates and sends payments on business days only. Payments scheduled on non-business days will be sent on the last business day before the Payment Date. You must set payment instructions, using Digital Banking, no later than midnight, ET, one business day before the Payment Date. Paper amendments must be received by Us by 2 p.m. ET of the business day before the Payment Date. Sufficient processing time should be allowed. Any payment instruction received after midnight may be considered received on the next business day.

**Restrictions** - Violation of these rules may result in termination of the Bill Payer service We have provided to You.

- A PSECU loan or Visa® account may not be paid using the Bill Payer service.
- You may not use Bill Payer to send checks to Your address of record or for deposit into the same account from which the payment was deducted.
- You may not intentionally supply invalid Payee information.
- You must use the remittance information supplied to You by the Payee via their billing statements or under their specific direction.
- You may only transmit payments to payees located in the United States.

We reserve the right to direct You to a pre-established Payee if the address You requested is already listed in a similar format or the Payee has requested the use of a different address. We reserve the right to refuse to pay certain payees and to refuse to honor payment request that appear to Us to be fraudulent, erroneous, or for illegal purposes.

**Any financial service provided by Us may be used for any Transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default or breach of contract.** Use of any financial service in a manner not permitted by law may cause that service or related services to be terminated at Our discretion. You further agree, should illegal use occur, to waive any right to sue Us for such illegal use or any activity directly or indirectly related to it. Additionally, You agree to indemnify and hold Us harmless from any lawsuits or other legal action or liability directly or indirectly, resulting from such illegal use. **We reserve the right to decline any Transaction that We consider fraudulent, suspicious, or illegal. We will not knowingly authorize charges related to unlawful internet gambling.** It is a federal crime to willfully or negligently provide incomplete or incorrect information on requests made to state-chartered credit unions insured by the National Credit Union Administration. We strongly suggest You do not

use the Bill Payer service to pay taxes or make court-ordered payments.

**Account and Payment Authorization** - You authorize Us to debit Your PSECU Checking share on the date the payment is transmitted to an Electronic Payee. You authorize the payment of checks issued to a Check Payee and drawn on Your Checking share to be debited the day the check is presented to PSECU for payment. We may pay these items in any order that We decide. You must have enough money in Your designated Checking share to complete the payment.

**Overdrafts** - Overdraft Protection Transfer Service options and Courtesy Pay with Bill Payer depend on the method of payment, (i.e., paper check payment or electronic payment):

**Paper Check** - Funds must be available in Your Checking Share each time the Payee presents the Transaction for payment. Merchants or payees may present a check (including a Bill Payer Check) or ACH Transaction multiple times for payment if the initial or subsequent presentment is returned unpaid. Each presentment for payment is a separate and unique Transaction and if there are no available funds in the checking share to cover the Transaction and no funds are available to transfer according to the Overdraft Protection Transfer Service options, and the Courtesy Pay limit has been reached or eligibility criteria are not met, the Transaction will be returned unpaid.

**Electronic Payment** - Funds must be available in Your Checking Share at the time Your payment is sent. If sufficient funds are not available after the Overdraft Protection Transfer Service source accounts have been exhausted, Your payment will not be sent and is considered a returned item. Courtesy Pay does not cover this Transaction type.

**Canceling a Bill Payer Transaction Before It Happens** - You may request to cancel a Bill Payer Transaction by using Digital Banking or by completing a paper amendment form. To cancel a payment, Your request must be received by Us at least one business day before the Payment Date. Please refer to the section on Payment Instruction & Scheduling for appropriate time frames.

If You use Digital Banking You must effect the change by changing the date of the payment, removing the amount of a payment (for on demand bills only), or deleting the payment record entirely no later than midnight, ET, one business day before the Payment Date will stop the Bill Payer process for that item. Paper amendments can be mailed to PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013. Faxes may be sent to 717.720.1197. Written notifications must be received by 2 p.m. ET, one business day before the payment date, Monday through Friday (excluding holidays), to be in effect before the next Bill Payer transmission.

**Payment in Error** - If You have scheduled a payment in error or have supplied erroneous remittance information and We have processed the electronic item, or the processed check has cleared, You will need to contact the Payee. If the check has not yet cleared, You may place a stop payment on the item by contacting Us. Stop payment fees will be imposed as per Our current fee schedule.

**Payment Disputes** - If the Payee is disputing payment, please verify the check has cleared or that the electronic payment has processed within Your PSECU account. You may verify Your account via Digital Banking, or by speaking to a Member Service Representative.

We are only responsible for exercising reasonable care in processing and sending payments upon Your authorization in accordance with these terms and conditions. We will not be liable in any way for damages You incur, including but not limited to the following circumstances:

- if You do not have sufficient funds in Your Checking share or in Your designated overdraft protection source accounts to make the payment on the “Payment Date”;
- if You do not verify and validate payment amounts or payment dates for accuracy and send incorrect payment amounts on incorrect dates;
- if delays occur in mail delivery or if the item is not received;
- if changes to the Payee’s address or account number have occurred and You did not advise Us within the appropriate time frames (Refer to the Payment Instructions & Scheduling Section of the terms and conditions);
- if the payee fails to correctly account for or credit the payment in a timely manner; or
- if any other circumstances beyond Our control occur.

For electronic items that cannot be posted by the Payee due to erroneous information, the Payee is obligated to return the item to Us or in some cases to You directly. We are not liable for late fees, stop payment fees, finance charges, or negative impact on credit reporting instruments assessed or used by Payees due to late or non-receipt of payments.

We do not guarantee prompt receipt or crediting of payments by Payees. You agree that We have no liability for any damages, expenses, charges, or liabilities that You may incur as a result of any failure or delay on the part of the Postal Service in delivering any payment or on the part of any Payee in crediting the payment. You agree that We have no responsibility or liability for any act or omission, other than the liability imposed on Us by law.

**Changes & Termination of Service** - We reserve the right to restrict the types of Payees to whom payments may be made using the Bill Payer service. We may withdraw approval of any Payee at any time at Our sole discretion. Notice will be provided to You through Digital Banking or other means determined by Us. We reserve the right to change the payment method to a Payee as conditions dictate and any changes will be reflected through Digital Banking.

We reserve the right to discontinue providing the Bill Payer service to You at Our discretion. We will notify You of this action. If the service is suspended by Us, generally, there is a one (1) year waiting period before You may reapply.

For system integrity and efficiency, We will remove from member accounts payment records that have not produced a payment within the last 14 months or more. We will also routinely remove unused Payees from the Bill Payer service in general.

All terms and conditions of the Bill Payer service, including any fee schedule, are subject to change at any time. We will announce all changes as required by law or regulation. Any changes to these terms and conditions

required by law are effective as of the date established by the relevant law.

### **Types of Available Transfers and Limitations on Transfers**

- The Bill Payer Service will pay bills from Your Checking Share in the amount and on the date You request.
- You may use Your Bill Payer Service to pay up to 80 of Your fixed or on-demand bills each month.
- The maximum amount of any Bill Payer Transaction is \$20,000.
- The minimum amount of any Bill Payer Transaction is \$1.

**Any Charges for Electronic Fund Transfers or for the Right to Make Transfers** - Currently We do not charge for Our Bill Payer service. However, We reserve the right to do so in the future and will provide notice 21 days before the effective date of the change.

### **Stop Payment Rights - Preauthorized Transfers**

**Right to Stop Payment and Procedures 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. You can stop Bill Payer payments in Digital Banking, or by faxing Your request to PSECU Bill Payer Services 717.720.1197 or by writing to Us at: PSECU, Bill Payer Service, P. O. Box 67013, Harrisburg, PA 17106-7013. We must receive Your request for stop payment at least one business day before the Payment Date.

**Review Your Bill Payer Listing** (if You requested a paper copy) - Be sure to verify the accuracy of all information on the listing. Keep this listing in a secure place as it contains confidential information concerning Your Payee accounts.

## **SECTION 7: UCC ARTICLE 4A DISCLOSURE (DISCLOSURES REGARDING ELECTRONIC “WHOLESALE CREDIT” TRANSACTIONS SUBJECT TO UNIFORM COMMERCIAL CODE ARTICLE 4A)**

**Provisional Payment** - Generally not applicable, but in the event it would apply, credit given by Us to You with respect to an Automated Clearing House (ACH) entry is provisional until We receive final settlement for such entry through a Federal Reserve Bank. If We do not receive such final settlement, You are hereby notified and agree that We are entitled to a refund of the amount credited to You in connection with such entry, and the party making payment to You via such entry (i.e. the originator of the entry) shall not be deemed to have paid You in the amount of such entry.

**Notice of Receipt of Entry** - Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH Transactions involving Your account, We are not required to give next day notice to You of receipt of an ACH item, and We will not do so. However, We will continue to notify You of the receipt of payments in the periodic statements We provide to You.

**Choice of Law Disclosure** - We may accept on Your behalf payments to Your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act, and Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the Commonwealth

of Pennsylvania as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH Transactions involving Your account.

## **SECTION 8: ELECTRONIC FUND TRANSFERS (REGULATION E) DISCLOSURES**

**For Debit Card, Bill Payer Service, Telephone Banking, and Mobile Deposit**

### **ERROR RESOLUTION DISCLOSURE:**

In case of errors or questions about Your electronic transfers, telephone Us at 800.237.7328 or write Us at: PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013 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.

- (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.
- (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 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.

### **1. SUMMARY OF CONSUMER LIABILITY:**

Tell Us at once if You believe Your PSECU Debit card or Personal Identification Number (PIN) 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 of Your money in Your account plus Your maximum overdraft line of credit. If You tell Us within two (2) business days after You learn of the loss or theft of Your Debit card or PIN, You can lose no more

than \$50 if someone used Your Debit card or PIN without Your permission.

If You do NOT tell Us within two business days after You learn of the loss or theft of Your PSECU Debit card or PIN, and We can prove We could have stopped someone from using Your PSECU Debit card or PIN without Your permission if You had told Us, You could lose as much as \$500.

Also, if Your statement shows transfers that You did not make, including those made by Debit card or PIN or other means, 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 kept You from telling Us, We may extend the time periods.

## **2. TELEPHONE NUMBER AND ADDRESS TO NOTIFY PSECU OF UNAUTHORIZED TRANSFERS:**

If You believe Your PSECU Debit card or PIN has been lost or stolen, call Us at 800.237.7328. TDD - 800.472.1967 nationwide. You may also write PSECU at P. O. Box 67013, Harrisburg, PA 17106-7013.

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.

**PSECU Business Hours:** Monday - Friday 8 a.m. - 6 p.m. ET

## **3. FINANCIAL INSTITUTION'S BUSINESS DAYS:**

For purposes of these disclosures, Our business days are Monday through Friday, holidays are not included.

## **4. ACCOUNT ACCESS:**

**DEBIT CARD** - You may use Your Debit card and PIN to:

- Withdraw cash from Your Regular Savings share and/or Your Checking share.
- Deposit funds to Your Regular Savings share and/or Checking share. See pages 32 and 33 for the applicable hold policy on ATM deposits.
- Determine account balances and transfer funds between Your Regular Savings share and Checking share.
- Pay for purchases at places that have agreed to accept the card and/or PIN, Point-of-Sale (POS) Transactions.
- Pay bills directly by telephone or Digital Banking from Your Checking share in the amounts and on the days You request. Some of these services may not be available at all terminals.

## **5. LIMITATIONS ON THE USE OF YOUR DEBIT CARD:**

Debit card Withdrawals and Purchases

- \$500 - ATM limit (for ATM withdrawals)
- \$2500 - Purchase Limit (for debit/ Point-of-Sale or credit signature-based purchases from merchants)

We reserve the right to reduce these daily limits at any time. In the event that Your daily limit is less than the amount disclosed above, or reduced from that amount, We will advise You of the new limitations. For security purposes, there are also certain daily limitations on the frequency of use of the Debit card. However, these limitations are not revealed for security

reasons. We are not obligated to maintain such limitations. The day for withdrawal and purchase limits starts at midnight each day (ET) and ends at midnight (ET) the next day. You will be denied use of Your Debit card if You do not have adequate funds available in Your account, do not enter the correct PIN, exceed the daily withdrawal/purchase limit, or exceed the frequency of usage limitation. The receipt provided by the ATM or merchant terminal will notify You of the denial. There is a limit on the number of such denials permitted. Attempts to exceed the limit may result in ATM or merchant retention of Your Debit card. The number of attempts that result in card retention is not revealed for security purposes.

#### **6. SERVICE ACCESS AND LIMITATIONS ON BILL PAYER SERVICE:**

- The Bill Payer service will pay bills from Your Checking share in the amount and on the date You request.
- You may use Your Bill Payer service to pay up to 80 of Your fixed or variable bills each month.
- The maximum amount of any Bill Payer Transaction You make is \$20,000.
- The minimum amount of any Bill Payer Transaction is \$1.

#### **7. DIGITAL BANKING ACCESS:**

Depending on the way You access Your account, You will use different credentials. For Digital Banking, You will use Your Username, Password, PIN and potentially other device-specific enabled authentication capabilities.

Once You've accessed Your account, You can:

- Determine account balances and Transaction history on all shares, including share certificates, as well as access loan balances;
- Transfer funds from any share to another share, from a share to a loan, and from a loan to a share;
- Request a withdrawal of funds from any share except IRA shares or share certificates;
- Make deposits to Your Checking share up to Your designated Limit in Digital Banking; and
- Transfer funds between Your Regular Savings shares and Checking share, and Your non-PSECU Accounts by ACH transfer service.

#### **8. ELECTRONIC CHECK CONVERSION:**

You may authorize a merchant or other payee to make a one-time electronic payment (i.e., each check) from Your Checking share using information from Your check to pay for purchases or to pay bills. Refer to Checking Terms and Conditions on page 12.

#### **9. FEES FOR ATM AND PREAUTHORIZED TRANSFERS:**

- **ATM Fees:**

There is no PSECU fee for any withdrawal or inquiry You make at any PSECU or non-PSECU ATM, during Our monthly statement cycle. However, the ATM operator/owner may impose a fee for the use of their ATM if the ATM is out of PSECU's surcharge-free network. Visit [psecu.com/atms](https://psecu.com/atms) to learn more.
- Any charges for Electronic Fund Transfers or for the right to make transfers:

Currently We do not charge for initiation, receipt or right to make electronic fund transfers. However, We reserve the right to do so in the future and will provide notice 21 days before the effective date of the change.

## **10. CONFIDENTIALITY - DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:**

We will disclose information to a third party about Your account(s) or the transfers You make:

- when it is necessary to complete Transactions;
- to verify the existence and standing of Your account with Us upon request of a third party, such as a credit bureau;
- in accordance with Your written permission;
- to comply with government or administrative agency summons, subpoena or court order;
- on receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act of 1978; or
- when it is necessary to take legal action to recover shares.

## **11. DOCUMENTATION OF TRANSFERS:**

You can get a receipt at the time You make any transfer to or from Your account using one of Our ATMs.

**Preauthorized Credit** - 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 call Us at 800.237.7328 to find out whether or not the deposit has been made. Or access Your account 24 hours a day using Digital Banking.

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

## **12. STOP PAYMENT RIGHTS – PREAUTHORIZED PAYMENTS:**

**Right to Stop Payment and Procedures 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 Us at 800.237.7328 or write Us at: PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013. We must receive Your request for stop payment at least three business days before the Payment Date. If You call, We may also require You to put Your request in writing and submit it to Us within 14 days after You call. PSECU will charge a fee for each stop payment order You give. See the Fee Schedule at [psecu.com/disclosures](http://psecu.com/disclosures).

**Notice of Varying Amounts** – If these regular payments vary in amount, the person 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.

**Liability for Failure to Stop Payment** – If You order Us to stop one of these payments within the guidelines of the service and We do not do so, We will be liable for Your losses or damages unless We request and do not receive written confirmation of an oral stop payment within 14 days and the transfer takes place after 14 days, or You fail to give Us proper instructions and information that would enable Us to place the stop on the transfer.

## **13. SUMMARY OF THE FINANCIAL INSTITUTION'S FAILURE TO MAKE OR STOP CERTAIN TRANSACTIONS: Liability for Failure to Make Transfers:**



If We fail to complete a transfer to or from Your account or in the correct amount according to Our agreement with You, We will be liable for the losses and damages caused by Our failure. However, there are some exceptions. We will not be liable in the following instances:

- if, through no fault of Ours, You do not have enough money in Your account to make the transfer;
- if the transfer would exceed the funds in Your account plus any credit limit on Your Overdraft Protection Transfer Service;
- if the ATM where You are making the transfer does not have enough cash;
- if the terminal or system was not working properly and You knew about the breakdown when You started the transfer;
- state or federal government laws or regulations would prohibit the Transaction;
- if circumstances beyond Our control (such as fire or flood) prevent the transfer, despite reasonable precautions that We have taken;
- if You have not properly followed the scheduling instructions on how to make a transfer or payment included in this agreement;
- if We have received incomplete or inaccurate information from You or a third party involving the account, transfer or payment;
- if the funds are subject to legal process;
- if We have reason to believe that the Transaction requested is unauthorized; or
- there may be other exceptions stated in our agreement with you.

## **SECTION 9: AVAILABILITY OF FUNDS AND DISCLOSURE OF FUNDS AVAILABILITY POLICY**

### **I. IN GENERAL**

Our policy is to delay the availability of funds from Your cash and check deposits. During the delay, You may not withdraw the funds in cash, and We will not use the funds to pay checks that You have written. The length of the delay varies depending on the timing, transaction channel, and type of deposit and is explained in Sections II and III below. Please note that even though deposited funds may not be available, those funds begin to accrue dividends in an interest-bearing account no later than the business day on which the depository institution receives credit for the funds.

### **II. DETERMINING THE AVAILABILITY OF A DEPOSIT**

#### **A. Business Day and Cut-off Times.**

- 1. Business Day.** We determine when deposited items are considered available for the payment of checks or withdrawal based on the number of business days from the day of Your deposit. In determining the availability of Your deposits, every day is a business day, except federal holidays and any Saturday or Sunday.

- 2. Cut-off Times.**

- a. Deposits via Mail:* If You make a deposit by mail with a deposit slip and it is received before 3:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if Your mailed deposit is

received after 3:00 p.m. (ET) on a business day, or on a non-business day, or is missing a deposit slip, We will consider Our next business day to be the day of Your deposit.

- b. Deposits through an ATM:* If You make a deposit at an ATM before 3:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if You make a deposit through an ATM after 3:00 p.m. (ET) on a business day, or on non-business day, We will consider Our next business day to be the day of Your deposit. This applies to proprietary and non-proprietary ATMs.
- c. Deposits through Mobile Deposit:* If a deposit is accepted through Mobile Deposit on or before 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if Your deposit is accepted after 4:00 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.
- d. Deposits through Wire Transfer:* If We receive a wire transfer before 5:30 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if We receive a wire transfer deposit after 5:30 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.
- e. Deposits in Person at a Branch:* If You make the deposit in person to one of Our employees before 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit.
- f. Deposits through Night Depository:* If You make a deposit between 8:00 a.m. and 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if You make a deposit after 4:00 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.

### III. FUNDS AVAILABILITY

**A. Cash Deposits.** Upon receipt, deposits of cash are available for immediate withdrawal unless the deposit is made at a Nonproprietary ATM (see below for more details).

#### **B. Check Deposits.**

- 1. Checks Drawn on Other Financial Institutions.** The first \$500 from a deposit of checks drawn on other financial institutions will be available immediately. The remaining funds will be available on the second business day after the day of Your deposit.

For example, if You deposit two checks drawn on financial institutions other than PSECU in the amount of \$700 and \$300 on a Monday, \$500 of the deposit is available on Monday. The remaining \$500 is available on Wednesday.

- 2. Checks Drawn on PSECU.** The first \$500 from a deposit of checks drawn on PSECU will be available immediately. The remaining funds will be available on the first business day after the day of Your deposit.

For example, if You deposit two checks drawn on PSECU in the amount of \$700 and \$300 on a Monday, \$500 of the deposit is available on Monday. The remaining \$500 is available on Tuesday.

- 3. U.S. Treasury Checks Payable to You.** The first \$500 from a deposit of a U.S. Treasury check will be available immediately. All remaining funds are available on the first business day after the day of Your deposit.
- 4. State and Local Government Checks, Cashier's Checks, Certified Checks, Teller's Checks, Federal Reserve Bank Checks, Federal Home Loan Bank Checks, and Postal Money Orders, if These Items Are Payable to You.**

- If You make a deposit of any of the above checks in person to one of Our employees, the first \$500 will be available immediately, and the remaining funds are available on the first business day after the day of Your deposit.
- If You do not make Your deposit in person to one of Our employees (for example, if You mail the deposit), the first \$500 will be available immediately, and the remaining funds from these deposits will be available on the second business day after the day We receive Your deposit.

**C. Electronic Deposits.** Funds from electronic deposits to Your account will be available on the day We receive the deposit. An Electronic Deposit is deemed received by Us when We receive finally collected funds and payment instructions indicating Your account and the amount to be credited.

**D. ACH Debit Transfers.** Deposits You initiate by ACH Debit transfer will be available to You by the third business day following the business day of the deposit transaction.

**E. Mobile Deposits.** Except as may otherwise be provided herein, funds deposited to Your PSECU account by a mobile device, by Our cut-off time, are available based on the type of check and applicable holds outlined above.

**F. ATM Deposits.** Deposits made at an ATM will generally follow the funds availability schedule as described above in section 3A and 3B. Please be advised that PSECU utilizes both Proprietary and Nonproprietary ATMs and that availability of funds will differ depending upon the ATM used for Your deposit per sections 1 and 2 below.

- 1. Proprietary PSECU Owned ATMs.** Funds from any check deposits made at ATMs owned and operated by PSECU may not be available on the first business day after the day of Your deposit in accordance with this Disclosure. Cash deposits made at PSECU owned ATMs will be available for immediate withdrawal. All ATMs that We own or operate are identified as Our machines.

- 2. Nonproprietary ATMs.** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) We do not own or operate will not be available until the fifth business day after the date of Your deposit. This rule does not apply to ATMs that We own or operate.

### **Longer Delays May Apply**

In some cases, We will not make all of the funds that You deposit by check available to You on the first business day after the day of Your deposit. Depending on the type of check that You deposit, funds may not be available until the fifth business day after the day of Your deposit. The first \$500 of Your deposits, however, may be available on the first business day.

If We are not going to make all of the funds from Your deposit available on the first business day, We will notify You at the time You make Your deposit. We will also tell You when the funds will be available. If Your deposit is not made directly to one of Our employees, or if We decide to take this action after You have left the premises, We will mail You the notice by the day after We receive Your deposit.

If You will need the funds from a deposit right away, You should ask Us when the funds will be available.

Funds You deposit by check may be delayed for a longer period under the following circumstances:

- We reasonably believe a check You deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn Your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify You if We delay Your ability to withdraw funds for any of these reasons, and We will tell You when the funds will be available. They will generally be available no later than the fifth business day after the day of Your deposit.

### **Special Rules for New Accounts**

If You are a new member, the following special rules will apply during the first 30 days Your account is open.

Funds from electronic deposits to Your account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of Your deposit, if the deposit meets certain conditions.

For example, the checks must be payable to You (and You may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,525 will not be available until the second business day after the day of Your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of Your deposit.

## **SECTION 10: TRUTH IN SAVINGS ACCOUNT DISCLOSURES**

For current rates for these shares, visit [psecu.com/rates](https://psecu.com/rates) or call us at 800.237.7328. For current fees, refer to our fee schedule at [psecu.com/disclosures](https://psecu.com/disclosures). We may offer other rates or amend the rates. In addition, We reserve the right to add, to terminate, or make other changes to these deposit products. You agree to the terms and conditions set forth on this disclosure and acknowledge that it is part of the PSECU Agreements and Disclosures.

**1. SAVINGS SHARES (REGULAR, ADDITIONAL AND IRA SAVINGS SHARES):**  
**Savings Share labels** - Every member has a Regular Savings Share but can have Additional Shares. The labels for Additional Shares can be customized. Christmas, Vacation and Summer Pay Shares are considered Additional Shares.

**Rate Information** - Your dividend rate and annual percentage yield (APY) may change every month as determined by PSECU's Board of Directors. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on a share based on the Dividend Rate and frequency of compounding for an annual period. The dividend rate and APY will never be less than 0.01% and there is no limitation on the amount of the change. The Dividend Rates and Annual Percentage Yields are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period. The actual dividend rate paid will be based on the Board's declaration of dividends for the applicable dividend period.

**Compounding and Crediting** - Dividends will be compounded on an average daily balance monthly and credited to Your share monthly. For this share type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. The dividend declaration date for that dividend period is the date immediately following the last date of the dividend period, and for this example is February 1. All other dividend periods follow this same pattern of dates.

**Minimum Balance Requirements** - The minimum balance requirement to open a Regular Savings Share is the purchase of a \$5 share in PSECU. No minimum balance requirements apply for Additional Savings Shares or the IRA Savings Shares. The par value of a regular share in this Credit Union is \$5.

**Balance Computation Method** - Dividends are calculated on the average daily balance method, which applies a periodic rate to the average daily balance in the share for the period. The average daily balance is calculated by adding the balance in the share for each day of the period and dividing that figure by the number of days in the period.

**Accrual of Dividends** - Dividends will begin to accrue on the business day You deposit cash and non-cash items (e.g., checks) to Your share.

**Right to Require** - We reserve the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before such withdrawal.

**Nature of Dividends** - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**National Credit Union Share Insurance Fund** - Member shares in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**Other Terms and Conditions** - Please refer to the Agreements and Disclosures, the Bylaws and accompanying fee schedule for more information relating to Your account at PSECU.

## **2. YOUTH SAVINGS SHARE:**

To be eligible for the Youth Savings Rate, the primary account owner must be under the age of eighteen. All eligible Regular Savings Shares automatically accrue dividends at the Youth Savings Rate on the first \$500 in the share and amounts over \$500 will accrue dividends at the Regular Savings Share Rate. Beginning the first day of the month after the primary account owner's eighteenth birthday, the share will no longer accrue dividends at the Youth Savings Rate and will begin to accrue dividends at the Regular Savings Share Rate on the total share balance. The primary account owner will be notified prior to the rate change on the share. For current rates for these shares, visit [psecu.com/rates](https://psecu.com/rates) or call us at 800.237.7328. For current fees, refer to our Fee Schedule at [psecu.com/disclosures](https://psecu.com/disclosures).

**Rate Information** - Your dividend rate and Annual Percentage Yield (APY) may change every month as determined by PSECU's Board of Directors. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on a share based on the Dividend Rate and frequency of compounding for an annual period. The dividend rate and APY will never be less than 0.01% and there is no limitation on the amount of the change. The Dividend Rates and Annual Percentage Yields are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period. The actual dividend rate paid will be based on the Board's declaration of dividends for the applicable dividend period.

**Compounding and Crediting** - Dividends will be compounded on an average daily balance monthly and credited to Your share monthly. For this share type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. The dividend declaration date for that dividend period is the date immediately following the last date of the dividend period, and for this example is February 1. All other dividend periods follow this same pattern of dates.

**Minimum Balance Requirements** - The minimum balance requirement to open a Youth Savings Share is the purchase of a \$5 share in PSECU. The par value of a regular share in this Credit Union is \$5.

**Balance Computation Method** - Dividends are calculated on the average daily balance method, which applies a periodic rate to the average daily

balance in the share for the period. The average daily balance is calculated by adding the balance in the share for each day of the period and dividing that figure by the number of days in the period.

**Accrual of Dividends** - Dividends will begin to accrue on the business day You deposit cash and non-cash items (e.g., checks) to Your share.

**Right to Require** - We reserve the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before such withdrawal.

**Nature of Dividends** - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**National Credit Union Share Insurance Fund** - Member shares in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**Other Terms and Conditions** - Please refer to the Agreements and Disclosures, the Bylaws and accompanying Fee Schedule for more information relating to Your account at PSECU.

### **3. CHECKING SHARES:**

**Rate Information** - Your dividend rate and annual percentage yield (APY) may change every month as determined by PSECU's Board of Directors. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on a share based on the Dividend Rate and frequency of compounding for an annual period. The Dividend Rates and Annual Percentage Yields are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period. The actual dividend rate paid will be based on the Board's declaration of dividends for the applicable dividend period.

**Compounding and Crediting** - Dividends will be compounded on an average daily balance monthly and credited to Your share monthly. For this share type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. The dividend declaration date for that dividend period is the date immediately following the last day of the dividend period, and for this example is February 1. All other dividend periods follow this same pattern of dates.

**Minimum Balance Requirements** - No minimum balance requirements apply to this share.

**Balance Computation Method** - Dividends are calculated on the average daily balance method, which applies a periodic rate to the average daily balance in the share for the period. The average daily balance is calculated by adding the balance in the share for each day of the period and dividing that figure by the number of days in the period.

**Accrual of Dividends** - Dividends will begin to accrue on the business day You deposit cash and non-cash items (e.g., checks) to Your share.

**Right to Require** - We reserve the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven

days and up to 60 days before such withdrawal.

**Nature of Dividends** - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**National Credit Union Share Insurance Fund** - Member shares in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**Other Terms and Conditions** - Please refer to the Agreements and Disclosures, the Bylaws and accompanying fee schedule for more information relating to Your account at PSECU.

#### **4. MONEY MARKET:**

**Rate Information** - Your dividend rate and annual percentage yield (APY) may change every month as determined by PSECU's Board of Directors. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on a share based on the Dividend Rate and frequency of compounding for an annual period. The Dividend Rates and Annual Percentage Yields are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period. The actual dividend rate paid will be based on the Board's declaration of dividends for the applicable dividend period.

**Compounding and Crediting** - Dividends will be compounded daily and credited to Your share monthly. You will receive dividends for each day of the dividend period based on the end of day balance in the share each day. For this share type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. The dividend declaration date for that dividend period is the date immediately following the last day of the dividend period, and for this example is February 1. All other dividend periods follow this same pattern of dates.

**Minimum Balance Requirements** - You must maintain a minimum daily balance of \$500 in Your share each day to obtain the disclosed Annual Percentage Yield. Dividends will accrue daily only if a minimum daily balance of \$500 is maintained in Your share.

A dividend shall apply to the balances based on the following tiers:

- \$100,000 or more
- \$50,000 to \$99,999.99
- \$20,000 to \$49,999.99
- \$5,000 to \$19,999.99
- \$500 to \$4,999.99

PSECU pays dividends on the full balance in the share at the divided rate that corresponds to the applicable share balance tier. Therefore, during the dividend period, if the share balance fluctuates between tiers, dividends may be paid at varying dividend rates. These tiers and rates are subject to change.

**Balance Computation Method** - Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the share each day.



**Accrual of Dividends** - Dividends will begin to accrue on the business day You deposit cash and non-cash items (e.g., checks) to Your share.

**Right to Require** - We reserve the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before such withdrawal.

**Nature of Dividends** - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**National Credit Union Share Insurance Fund** - Member shares in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**Other Terms and Conditions** - Please refer to the Agreements and Disclosures, the Bylaws and accompanying fee schedule for more information relating to Your account at PSECU.

## **5. CERTIFICATES AND IRA CERTIFICATES:**

**Rate Information** - The Dividend Rate and Annual Percentage Yield for all Certificates are fixed and will be in effect for the term of the certificate. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on a certificate based on the Dividend Rate and frequency of compounding for an annual period.

**Compounding and Crediting** - Dividends will be compounded and credited to Your certificate monthly, and at maturity.

**Minimum Balance Requirements** - The minimum balance required to open this certificate is \$500. You must maintain a minimum daily balance of \$500 in Your certificate each day to obtain the disclosed annual percentage yield.

**Balance Computation Method** - Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the certificate each day.

**Accrual of Dividends** - Dividends will begin to accrue on the business day You deposit cash and non-cash items (e.g., checks) to Your certificate.

**Transaction Limitations** - You may not make deposits into the certificate until the maturity date stated on the certificate. If You withdraw dividends or principal, You must withdraw a minimum of \$100. Any early withdrawal may be subject to early withdrawal penalties. If a withdrawal takes a certificate below \$500, the certificate will be closed and the penalty will be calculated on the entire balance.

**Right to Require** - We reserve the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before such withdrawal.

**Maturity Date** - Your certificate will mature on the date stated on the certificate purchase letter.

**Early Withdrawal Penalties** - We impose a penalty if You withdraw any of the principal before the maturity of the certificate. For 3-24 month certificates,

any early withdrawal will cause a forfeiture of 90 days' worth of dividends on the principal amount withdrawn, whether or not the certificate has earned an initial dividend. For 36-60 month certificates, any early withdrawal will cause a forfeiture of 180 days' worth of dividends on the principal amount withdrawn, whether or not the certificate has earned an initial dividend. The early withdrawal penalty will be calculated at the annual dividend rate being paid on the certificate. The early withdrawal penalty, if applicable, will be deducted from the amount withdrawn. Withdrawals from an IRA Certificate may be made without an early withdrawal penalty when the Required Minimum Distribution (RMD) age is attained.

**Withdrawal of Dividends Prior to Maturity** - The annual percentage yield is based on the assumption that dividends will remain in the certificate until maturity. A withdrawal will reduce earnings.

**Renewal Policy (does not apply to promotional certificates)** - Your certificate will automatically renew at maturity. You will have a grace period of 10 calendar days after maturity date to withdraw funds in the certificate without being charged an early withdrawal penalty. A Maturity Notice will be mailed at least 20 calendar days before the end of the grace period.

**Renewal Policy (applies to promotional certificates only)** - Your certificate will automatically renew at maturity, however, because it is a promotional certificate it may automatically renew for a different term. It will automatically renew at the next lowest non-promotional term. For example, if your promotional certificate had a term of 20 months and the next lowest non-promotional certificate term is 18 months, your promotional certificate will automatically renew at 18 months and would be a non-promotional certificate. You will have a grace period of 10 calendar days after maturity date to withdraw funds in the certificate without being charged an early withdrawal penalty. A Maturity Notice will be mailed at least 20 calendar days before the end of the grace period.

**National Credit Union Share Insurance Fund** - Member certificates in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**Other Terms and Conditions** - Please refer to the Agreements and Disclosures, the Bylaws and accompanying fee schedule for more information relating to Your account at PSECU.



# PSECU<sup>SM</sup>

**800.237.7328 • PSECU.COM**

**P.O. BOX 67013, HARRISBURG, PA 17106-7013**

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