



TELEPHONE BANKING AGREEMENT AND DISCLOSURE

INTRODUCTION: This Logix Telephone Banking Agreement and Disclosure (the "Agreement") sets forth the terms and conditions and informs you of your rights and responsibilities in connection with the electronic funds transfers you request in connection with your use of the Logix Telephone Banking service. Please read it carefully and retain it for your records.

In this Agreement, the words "you" and "your" mean each person who uses the Telephone Banking service under this Agreement. The words "we," "us," "our," and "Logix" each mean Logix Federal Credit Union. The terms and conditions of our other agreements with you governing your Logix share and loan accounts, including any line of credit affected and accessible by the Telephone Banking service, are incorporated herein by reference. The Telephone Banking service is subject to such other terms and conditions as we may establish from time to time and upon reasonable notice to you.

To access the Telephone Banking service, call:

800-841-4123 (toll free) or **818-565-2080**

SERVICES, TYPES OF TRANSFERS AND LIMITATIONS: The Telephone Banking service and your Personal Identification Number (PIN) allow you to:

- Inquire about account and loan balances, transaction activity and other information.
- Transfer funds between your savings, checking, and money market accounts.
- Advance funds against your Logix credit card, ReadyLine and Home Equity lines of credit for transfer to your other accounts.
- Make loan and credit card payments from your accounts.
- Request disbursement by check made payable to you from your savings, checking, money market, and credit card accounts (**checks will be issued in the primary name on the account and sent to the address as reflected on our records**).
- Place a Stop Payment on checks you write and perform Stop Payment inquiries.

The Telephone Banking service is available 24 hours a day, seven (7) days a week, including holidays. If for any reason the Telephone Banking service is not available, you will receive the message "The System is Down, Please Try Later."

TRANSACTION LIMITATIONS - MINIMUM AMOUNTS: There is no minimum transfer amount on funds transfers from your savings, checking, money market and loan accounts to your other accounts, however, when you request disbursement by check made payable to you there is a \$50 minimum on advances against lines of credit and a \$10 minimum on withdrawals from your savings, checking and money market accounts. There are no maximum dollar limits on transfers, subject to the availability of funds. There are no limits on the number of transactions you can

initiate on checking accounts or on your Logix credit card, ReadyLine or Home Equity line of credit.

LIMITS ON SAVINGS AND MONEY MARKET ACCOUNT

TRANSFERS: During any calendar month you may not make more than six (6) transfers from any **Savings** or **Money Market Savings Account** to your other Logix accounts or to a third party by means of a preauthorized electronic funds transfer, automatic transfer, overdraft protection transfer, telephone order or instruction, request transmitted via facsimile machine, or transfer initiated through Online Banking or this Telephone Banking service.

These transfer and withdrawal limitations **do not apply** to transactions conducted at ATMs, in person, or by mail. Also, internal transfers to make payments to your Logix loans and requests for withdrawals by check made payable to you are excluded from this limitation.

If you attempt to exceed the transfer limitations set forth above in any calendar month the Telephone Banking service will provide the response "Reg. D Limit Reached - Transaction Not Allowed" and you will not be permitted to initiate the requested transfer.

PERSONAL IDENTIFICATION NUMBER (PIN): You have either selected or been assigned a PIN so that you may access your accounts through the Telephone Banking service. You are personally responsible for the confidentiality of your PIN and all of your Telephone Banking transactions. If you disclose your PIN to anyone, you understand that you have given that person access to your account(s) by way of any telephone and that you may be responsible for any subsequent transactions, subject to limitations provided by law. You must notify us immediately and may be required to send written confirmation should your PIN be disclosed to anyone other than a joint owner on your account. All transfer and withdrawal requests made by way of the Telephone Banking service are binding on us only after we have verified that sufficient unencumbered funds are available to complete the transaction.

ACCESS BY JOINT OWNER TO INDIVIDUALLY-HELD LOANS AND

LINES: If the account(s) accessible via Telephone Banking is a joint account and the joint account owner has been provided access to the account by requesting the Telephone Banking service and obtained a PIN or you have provided the joint account owner with your PIN, you understand and agree that the joint account owner will have access to funds and information on loans and lines of credit established under the joint account structure for which they may not be a joint borrower or obligor. You understand that you will be liable for any transfers or advances against your individually-held loans and lines of credit requested by any joint account owner.

BUSINESS AND PROCESSING DAYS: Our business days are Monday through Friday, excluding holidays. The Business Day Cut-off time is 10:30 P.M. Pacific Time (PT), after which transactions will reflect an effective date of the calendar day you initiated the transaction, but a posting date of the next business day. For example, transactions initiated by you each business day before 10:30 P.M. (PT) are processed with that calendar days' date. Transactions initiated after 10:30 P.M. (PT) will reflect a posting date (transaction date) of the next business day, but will reflect the date of the calendar day on which you initiated the transaction as the effective date for purposes of dividend accrual and finance charge calculation. Similarly, transactions that you initiate on non-business days (Saturday, Sunday and Holidays) are

effective dated the date the transaction was initiated by you, but will reflect a posting date of the next business day.

CREDIT CARD PAYMENTS AND CREDIT AVAILABILITY: When you initiate a transfer to make a payment on your Logix Credit Card, the system will update your account records, and when applicable, reflect an increase in the availability of credit.

STOP PAYMENTS: You may use Telephone Banking to place a Stop Payment on checks that you write against your Logix checking account. The Telephone Banking service cannot be used to place Stop Payments on checks written against any other types of Logix deposit or loan accounts. Stop Payment orders will be accepted and placed using the check number only, regardless of the amount, payee or date recorded on the check. You are solely responsible for the accuracy of the check number you provide to us in order to identify the check for which you wish to place the Stop Payment. The Telephone Banking service will verify whether the check has cleared your account before the Stop Payment will be accepted. If the check has cleared your account, the Stop Payment cannot be placed or accepted.

All Stop Payment orders are in effect for 12 months from the date your Stop Payment is placed, unless otherwise cancelled or renewed by you. There is no fee to place a Stop Payment using the Telephone Banking service.

By placing a Stop Payment order you agree to hold us harmless for the amount of the check(s) and for any and all liability, expenses and costs arising from our refusal to pay the check(s). You also agree not to hold us liable for any payment of the check(s) contrary to the Stop Payment order if payment occurs through inadvertence, oversight, accident, or otherwise, or if by reason of such payment, other items drawn by you are returned for insufficient funds.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS: You will get a monthly statement reflecting the Telephone Banking electronic funds transfer activity on your account(s) unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly. Telephone Banking transfer activity information is included in your regularly scheduled account statement.

TERMINATION: We may terminate this Agreement: (a) If you or any person authorized to use your PIN breach the terms of this Agreement; (b) If you terminate your membership with us; (c) If you notify us to cancel your Telephone Banking service; (d) If we have reason to believe that an unauthorized person has used or is about to use your PIN; (e) If, with or without cause, we notify you that this Agreement has been or is about to be terminated. Termination of this Agreement will not affect your rights and responsibilities under this Agreement or transactions initiated before termination of the Telephone Banking service.

FEES: There is no fee or charge for using the Telephone Banking service.

YOUR LIABILITY FOR UNAUTHORIZED ELECTRONIC FUNDS TRANSFERS: Tell us **AT ONCE** if you believe that your PIN has been lost, stolen, or you believe that someone has transferred funds from your account without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum overdraft line of credit. If you tell us within two (2) business days, you can

lose no more than \$50.00 if someone used your PIN without your permission.

Our telephone number is: **800-328-5328** (toll-free)

Our address is: **Logix
Attn: ECS Dept.
P.O. Box 6759
Burbank, CA 91510**

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your PIN, and we can prove the loss could have been prevented had you told us in time, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us **AT ONCE**. If you do NOT tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS: Call us or write us **immediately** at the telephone number or address described in the preceding section, if you think your statement is wrong (or shows transfers that you did not authorize) or if you need more information about a transfer. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

In your letter:

- (1) Tell us your name and account number;
- (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; and,
- (3) Tell us the dollar amount of the suspected error and the date it occurred.

If you notify us verbally, we may require you to 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 provisionally 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 request in writing and we do not receive it within 10 business days, we may not recredit your account.

We will tell you the results within three business days after completing our investigation. If we determine there was no error, we will send you written explanation. You may ask for copies of the documents that we used in our investigation.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS: If we do not complete an electronic funds transfer to or from your amount on time or in the correct amount according to our agreement with you, we may be liable for your losses and damages. However, there are some exceptions. We will NOT be liable, for example, if: (A) Through no fault of ours, you do not have enough available funds in your account to make the transfer; (B) The transfer would exceed any permitted overdraft line you have with us; (C) Circumstances beyond our control (such as fire, flood, water damage, power failure, labor dispute, computer breakdown,

telephone line disruption or a natural disaster) prevent or delay the transfer despite reasonable precaution taken by us; (D) The funds in your account are subject to legal process, an uncollected funds hold, or are otherwise not available for withdrawal; (E) The information supplied by you or a third party is incorrect, incomplete, ambiguous or untimely; or, (F) The system was not working properly and you knew about the breakdown when you started the transfer. There may be other exceptions stated in our agreement with you.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:

We will disclose information to third parties about your account or the transfers you make: (1) Where it is necessary for completing transfers; or (2) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or (3) In order to comply with government agency or court orders; or (4) If you give us your written permission.

NOTIFICATION: Any notification required or appropriate may be mailed to you at your last address known to us.

CHANGES IN TERMS OR CONDITIONS: This Agreement is subject to change to conform to changes in federal regulation and/or Logix policy. If such change(s) result in increased liability to you, a reduction in Telephone Banking services, or stricter limitations on the frequency or dollar amount of transfers, we will notify you at least 21 calendar days before the effective date of such changes, or as otherwise permitted by law.

GOVERNING LAW

This Agreement is made in California and shall be governed by the laws of the State of California to the extent that California Law is not inconsistent with controlling Federal Law. California's "Choice of Law Rules" will not be applied if they would result in the application of non-California law.

**Logix Smarter Banking is a registered trademark
of Logix Federal Credit Union**