

Disclosure

CSCU Direct Internet Banking

CSCU Direct--Disclosure Pursuant to the Electronic Funds Transfer Act and Agreement

Co-op Services Credit Union (hereinafter "CSCU") makes available to its members an online account access service, CSCU Direct. By enrolling and using CSCU Direct, you agree to be bound by this agreement and accept its terms and conditions as they may be amended.

CSCU Direct allows you to transfer funds and review account activity using a personal computer ("PC") and requires that you have Internet access. CSCU Direct will be available from the Credit Union's home page at <http://www.cscu.org>. All transactions made through CSCU Direct are subject to applicable laws, regulations, account agreements, fee disclosures and other rules governing your accounts at Co-op Services Credit Union

Definitions: As used in this Agreement, the term CSCU Direct refers to Co-op Services Credit Union Internet banking and bill payment services and may be referred to as "Services." The terms: "We", "us", "our" or "CSCU" refers to Co-op Services Credit Union. The term "You" and "your" refers to the person(s) subscribing to or authorized to use CSCU Direct Internet banking. "Account" and "accounts" refers to your Co-op Services Credit Union accounts that you designated and we approved for the access through CSCU Direct.

Section 1 - Disclosure: This Disclosure is furnished to you as a user of CSCU Direct Internet banking and member of Co-op Services Credit Union. This Agreement that will become binding between you and Co-op Services Credit Union the first time you access CSCU Direct. This disclosure meets the requirements of the federal statutes relating to electronic funds transfers and the requirements of the regulation (Reg E) issued by the Federal Reserve Board pursuant to the federal statute.

Section 2 - Availability: CSCU Direct is available as a convenience to its members and, except as to the extent of liability under Section 10 of this Disclosure, CSCU is not liable for the unavailability or failure to operate any of the CSCU Direct services made available to you, nor do we warrant the functionality or compatibility of various Internet browsers on your computer. Except for its own negligence, CSCU is not liable for any personal injury or tangible property damage incurred by member through use or attempted use of the CSCU Direct service.

Section 3 - Login ID and Password: You will need a Login ID and password to access CSCU Direct. Your Login ID will be your member account number. Upon enrollment to CSCU Direct, we will also provide you with a confidential password. You will be required to change your password after initial login to a new Password up to sixteen characters in length and any combination of numbers and letters.

Because Login IDs and Passwords can be used to access your account information, you should treat your Login ID and Password with the same degree of care and secrecy that you use to protect other sensitive financial data. You agree not to give your Login ID or Password, or make them available, to any other person.

Your access to CSCU Direct will be blocked in the event your Login ID or Password is entered incorrectly on three (3) consecutive access attempts. If this occurs, please call CSCU Support toll-free at 1-800-321-8570.

Section 4 - Eligibility of Accounts: The following types of accounts can be accessed through the CSCU Direct:

Regular Savings
Checking Accounts
Christmas Club Shares
Vacation Club Shares
Daily IRA Shares
Special Deposit Shares
High Yield Fund Shares
IRA Certificates
Money Market Account

Visa Shares
Certificates of Deposit
Any Loan Account
(Other than your VISA account)

If at any time you wish to change or limit which accounts are accessible through CSCU Direct, please contact us at 1-800-321-8570. We will comply with your requests, providing they fall within the specifications of our software and hardware configurations. We reserve the right to restrict use of the services for one or more types of accounts or transactions and to impose limits or restrictions on use of the services.

Your account access is limited to accounts on which you are an authorized signatory. You cannot use CSCU Direct to make transfers from accounts that require more than one signature for withdrawal.

You must maintain a minimum of \$5.00 in your regular share account to be entitled to make CSCU Direct transactions affecting your account(s).

Important: If your checking account has overdraft protection, please refer to the checking account agreement, which gives important information regarding your rights and responsibilities relating to any transactions that result in overdrafts to a share draft checking account.

Section 5 - Available CSCU Direct Services: At the present time, you can authorize the following types of electronic funds transfers to or from your asset account through use of the CSCU Direct:

1. **Transfers between Accounts:** Transfers between: regular shares, Money Market Account, High Yield Fund Accounts, line of credit accounts, Christmas club shares, checking account, vacation club shares.
2. **Balance Inquiries:** Balance inquiries will be allowed on all accounts.
3. **Payments:** Payment on any loan account (other than Visa) with CSCU from your savings accounts, checking, Money Market accounts, High Yield Fund. Payments to 1st Mortgage loans will be restricted to the exact monthly payment.

Posting of transactions which occurs between accounts will be completed at the time the request is received and only when you have clicked on the "Confirm Transfer" button and have received "Transaction Results" information.

Section 6 - Limitations to CSCU Direct: At this time there are no limits to the number of transactions which you may make through CSCU Direct, nor to the dollar amounts of each transfer. However, no transfers can be made from your High Yield Fund Account, Money Market

Account, Christmas Club or Vacation Club if six transfers or withdrawals from that account have been made previously in the month via CSCU Direct or any other electronic funds transfer service.

Section 7 - Optional Bill Payment Service: Bill Payment to third parties is an optional, fee-based service made available to members as a subsidiary service of CSCU Direct. The terms and conditions set forth in this section are binding upon you and on us at the time you submit the "Electronic Bill Payment Registration" and are approved by the Credit Union for Bill Payment Service.

1. Bill Payment Service Fees: Bill Pay is free when a minimum of five payments are made per month. If less than five payments are made per month, the monthly service fee is \$5.25 monthly. The monthly fee (if applicable) will be deducted from your Checking Account on approximately the 1st calendar day of each month. New Bill Payment members billing period begins the first full calendar month.

2. Availability: Checking Accounts at Co-op Services Credit Union are the only qualifying accounts for bill payment services through CSCU Direct.

3. Payment Authorization and Payment Remittance: By providing us with names and account information of Payees to whom you wish to direct payments, you authorize us to follow the payment instructions that are received through the CSCU Direct. When we receive a payment instruction through CSCU Direct, we will remit funds to the payee/merchant on your behalf from the available funds in your Checking Account.

You must provide sufficient information about each payee ("Payee Information") to properly direct a payment to that payee. This information may include, among other things, the name and address of the payee and your account number with the payee. Your payment and payee information including: any additions, deletions, or changes are your responsibility to maintain and keep updated.

Payments to vendors will be sent either electronically or by check depending upon the relationship between the Credit Union and the vendor. Payments made electronically may take up to 3 business days to reach the vendor and up to 10 (typically 6) business days if sent by check. It remains at our discretion to determine the appropriate method by processing payments to payees.

Payments must be scheduled in sufficient time to reach the intended vendor. CSCU will not be liable for any service fees or late charges levied against you due to late payments due to circumstances not in the direct control of CSCU.

4. Limitations on Transfers and Payments: For security reasons, the Credit Union may impose a maximum limit on the dollar amount of bill payments or transfers from your account.

(a) Future Transfers

A one-time (non-recurring) transfer scheduled for a future date (a "Future Transfer") will be processed on the scheduled transfer date, if that day is a Business Day. A Future Transfer scheduled for a non-Business Day will be processed on the next Business Day. Future transfers are processed after 6:00 a.m. Eastern Time on the processing date. You may change or cancel a Future Transfer prior to that time.

(b) Recurring Transfers

You may schedule transfers that do not vary in amount to automatically occur on a regular schedule of your choice ("Recurring Transfers"). If you request that the first transfer in a recurring transfer take place on the day you send the Recurring Transfer instructions to us, that first transfer will be processed as a Same-day Transfer, and all rules for a Same-day Transfer will apply to it. Except for that situation, Recurring Transfers will be initiated on each scheduled transfer date, if that day is a Business Day. If a scheduled Recurring Transfer date is a non-

Business Day, your scheduled Recurring Transfer will be processed on the next Business Day. If a Recurring Transfer is scheduled to occur on the 29th, 30th, or 31st of each month and that date does not exist in a particular month, then the Recurring Transfer will be processed on the last Business Day in that month. Except as provided above, a Recurring Transfer may be changed or canceled up to 6:00 a.m. Eastern Standard Time on the scheduled Recurring Transfer date.

(c) Failed Transfers

If, on the processing date, you don't have sufficient available funds in the Eligible Account from which the funds are to be transferred, we will not make the transfer on that date, but we will try again on our next processing date. If you still don't have sufficient available funds in the Eligible Account from which the funds are to be transferred, the transfer will be cancelled. If the transfer is a Recurring Transfer, the remaining transfers will not be affected.

5. Stop Payment Requests: You can cancel or edit any payment (including recurring payments) prior to 2:00 p.m. (EST) on the day of the scheduled payment date by following the directions with the Bill Payment services. If you need assistance with canceling or stopping any payment before 2:00 p.m. (EST) on the day the payment is scheduled, you may call 1-800-321-8570 during normal business hours.

6. Termination of Service: If you wish to discontinue use of CSCU Direct or payment services, you must send us a signed, written request by U.S. mail at the address listed in the Errors or Questions section of this agreement at least 10 days prior to termination. If you discontinue any of the services, it is your obligation to cancel all extending scheduled payments and transfers. If you do not cancel your outstanding payments and transfers, we may continue to make these payments and transfers.

Section 8 - Statements: All transfers made through CSCU Direct will appear on your monthly account statements. If no monthly activity occurs, you will receive a quarterly account statement. CSCU Direct also provides you the option to print an account statement at any time during the month, which will show any and all activity on said account(s).

Section 9 - Disclosure of Information to Third Parties: In the ordinary course of business, we will only disclose information concerning your account(s) or electronic fund transfers described in Section 4 affecting your account(s).

1. As provided by law, or
2. With your written consent,
3. To furnish credit information under the federal Fair Credit Reporting Act, or
4. If necessary to verify or complete an electronic fund transfer, or
5. To verify the existence of your account(s), or
6. If the information relates to improper use of your account(s), or
7. To comply with government agency or court orders.

Section 10 - Liability for Unauthorized Use: Tell us AT ONCE if you believe your password was stolen or used without authorization. Telephoning is the best way of keeping your possible losses down. If you notify us within 2 Business Days after discovering your password has been lost or stolen, you can lose no more than \$50.00 should someone access your account without your permission. Failure to notify us within 2 Business Days after you learn of such loss or theft, and we can prove that we could have prevented the unauthorized use of your password or other means to access your account if you had told us, you could lose for as much as \$500.00.

Section 11 - Errors or Questions: If you have questions, require additional information on a transfer listed on your statement, or believe your statement or information listed on CSCU Direct is incorrect, contact us immediately via one of the following:

1. Telephone us at: (800) 321-8570, ext. 200
2. Write us at: Co-op Services Credit Union, 29550 Five Mile Road, Livonia, Michigan 48154

If you think your statement or information on the CSCU Direct system is incorrect or if you need more information about a transfer listed on the statement. 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.
2. Describe the error or the transfer that 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 questions in writing within 10 business days. We will notify you with the results of our investigation within 10 business days and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days for point-of-sale debit card transaction) to investigate your complaint or question. If we decide to do this, we will re-credit your account within 10 business days for the amount you think is in error, so 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 questions in writing and we do not receive it within 10 business days, we may not recredit your account.

If we decide that there was no error, we will send you a written explanation within 3 business days after we finish our investigation.

You may ask us for copies of the documents that we used in our investigation and we will furnish them to you. We may, in such case, require payment of a nominal charge for such copies.

Section 12 - Failed or Returned Transactions: If we are unable to complete an electronic fund transfer, as described in Section 5 to or from your account(s) on time or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. We will not be liable for any payment, including any late charges or penalties, if you have not complied with the conditions and terms of this agreement and other instructions provided to you, including but not limited to, your failure to schedule a payment without allowing sufficient time for the payment to be processed. Additionally, we shall incur no liability or obligation for late charges or penalties, if we are unable to complete any payment that you initiate through the service through our CSCU Direct or payment service due to any one or more of the following circumstances:

1. If, through no fault of ours, you do not have enough available funds in your account to make the transfer.
2. If there is not enough money in your account, in excess of amounts you have specifically pledged to us as collateral, to make the transfer.
3. If funds in your account are subject to garnishment or other legal process which prevents the making of the transfer.
4. If you make a payment through use of our third party bill paying service and the payment (sent either electronically or by check) does not reach its intended destination due to circumstances out of the control of CSCU.
5. The payee rejects or returns the payment for any reason outside our control, or returns a payment at our request for one of the above reasons.
6. If the transfer would go over the limit on your overdraft line.
7. If you use or try to use your CSCU Direct service after your right to use it has been cancelled.
8. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
9. If the system was not working properly and you knew about the breakdown when you started the transfer.
10. Your equipment, software or any communications is not working properly.
11. We will also be excused from such liability if you fail to observe the terms and conditions of this Agreement, or our account agreements with you, which relate to the electronic fund transfers.

12. Payments to government agencies (e.g., taxes), court directed payments (e.g., alimony, child support), or payments to a Payee located outside the United States are not allowed.

Section 13 - Amendments; Termination: We reserve the right to amend this disclosure (agreement) in any manner and at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances; however, in the specific cases mentioned earlier, we will give you at least 21 days advance written notice. We also reserve the right to terminate this Disclosure (agreement) by sending a notice of such termination by first-class mail to your last known address on our records, which notice shall be effective when mailed.

Section 14 - Termination of Prior Agreements: Upon your receipt hereof, this Disclosure terminates and takes the place of any Electronic Funds Transfer Disclosure we have previously furnished to you.

Section 15 - Business Days: Our business days are Monday - Friday, except for certain holidays.

Section 16 - Alerts: CSCU Direct Internet Banking provides you with the ability to set and receive electronic Alerts to the electronic mail address(es) you have provided to us and for us to communicate service information to you. You may set Alerts to obtain information regarding certain activities that may impact your Account(s). You agree to provide and to maintain a current electronic mail address with us. We agree to use reasonable commercial efforts to provide the Alerts to you, but will have no liability or responsibility for your failure to receive such Alerts due to (i) an incorrect electronic mail address, (ii) failure of the communication methods (internet, telephone, etc.) or (iii) any other reason beyond our control.

General: This agreement shall be governed by Michigan law and is subject to all applicable state and federal laws and regulations. We may enforce any of our rights under this Agreement even if we choose not to exercise any rights in a particular circumstance. The invalidity of any provision of this agreement shall not affect other provisions.