



# **Account Rules and Regulations**

Dear Member:

We hope this document will help you to understand the features of your Direct Federal Credit Union Share Accounts and Electronic Funds Transfer services (including Mobile Banking). If you have any questions, however, a Service Associate will be happy to help you. Just contact us in any of the ways listed under "Contact Us" on page 3 of this document.

Throughout this document, the terms "we," "us," "our," "the Credit Union," and "Direct Federal" refer to Direct Federal Credit Union. "You" and "your" refer to each Account holder or, in the case of an optional service, to each person who requests or uses the service.

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The following service marks are used by Direct Federal Credit Union under license: NYCE®, CO-OP®, MasterCard®, and VISA®.

## **Contact Us**

If you have questions regarding your Accounts (including questions regarding transactions or charges appearing on your statement, billing error inquiries, stop payment orders, or reports of lost or stolen checks, cards, PINs, or Passwords), you may contact us using any of the methods below. Email sent through Direct.com Online Banking will be encrypted to protect your personal Account information.

### **Branch**

50 Cabot Street  
Needham, MA 02494

**Call:** 781.455.6500 or 888.2DIRECT

Monday – Friday  
8:00 am – 5:00 pm  
Saturdays 8:00 am – 1:00 pm

### **Write:**

Direct Federal Credit Union  
P.O. Box 9123  
Needham, Massachusetts 02494-9123  
**or, from [www.direct.com](http://www.direct.com):** log in to  
Online Banking and use the "Message  
Center" service

## Account Rules and Regulations

These Rules and Regulations govern all Direct Federal Credit Union Checking Accounts, Money Market Accounts, Savings Accounts (including Secondary Savings Accounts), Fixed Rate Share Certificate Accounts, and Fixed and Variable Rate Retirement (IRA) Share Certificate Accounts.

### SINGLE AND JOINT ACCOUNTS

Accounts may be opened in one or two names. If an Account is opened in two names, the Account will be treated as a joint Account. The Credit Union will allow either Account holder or the legal representative of either Account holder to withdraw all or any part of the funds, regardless of any information the Credit Union may have regarding the actual ownership of the funds on deposit.

**If one Account holder dies, the surviving Account holder will automatically become the sole owner of the Account.**

EACH JOINT ACCOUNT HOLDER HEREBY APPOINTS EACH OTHER ACCOUNT HOLDER AS HIS OR HER AGENT FOR THE PURPOSE OF REQUESTING SERVICES RELATING TO THE ACCOUNT (SUCH AS ATM OR DEBIT CARDS, ONLINE BANKING, MOBILE BANKING, AND TELEPHONE ACCESS).

### FIDUCIARY ACCOUNTS

If you deposit money in your name as trustee, custodian, guardian, executor, or administrator for the benefit of someone else, you have the sole right to make withdrawals and other decisions regarding the Account. If there are two trustees or executors for the Account, we will rely on what you have told us regarding whether you are authorized to act individually or must act jointly. If there are two or more administrators, all must act jointly. If you opened the Account as a Totten Trust, then the beneficiary is entitled to receive the funds after the death of the last surviving trustee. Otherwise, a successor trustee, custodian, guardian, executor, or administrator must be appointed as provided under applicable law. You or the beneficiary or successor is responsible for providing Direct Federal with all documentation required by law.

SmartStart Youth Savings Accounts established under a custodial designation will automatically transfer to the minor upon reaching the age of majority (18), at which time the custodian's authority will terminate.

### INTEREST

The Credit Union pays interest on the funds in all Accounts (except Checking Accounts) from the date of deposit to the date of withdrawal (or maturity, in the case of Certificate Accounts). Interest is compounded and paid monthly on all interest-bearing Accounts other than Certificate Accounts.

Interest is compounded daily and paid monthly (or at maturity) on all Certificate Accounts. Interest is paid at the rates determined by the Credit Union's Board of Directors from time to time (provided such rates do not exceed available earnings) and as otherwise required by law. (See the Credit Union's "Weekly Deposit Rate Sheet" for information regarding the Credit Union's current rates.) The Credit Union does not pay interest on Checking Accounts.

Federal law prohibits the payment of interest in excess of available earnings, even if a higher rate of return is otherwise applicable to your Account.

### DEPOSITS

All items deposited in an Account are received for collection and are credited subject to final payment. If a deposited item is returned unpaid or found to be uncollectible or payment is otherwise unacceptable to the Credit Union, the Credit Union will charge the item back to your Account or require a refund from you.

If you deposit a remotely created check (that is, a check that was not signed by the person on whose account it is drawn), you warrant that the person on whose account the check is drawn authorized the issuance of the check in the amount stated on the check and to the payee stated on the check.

### WITHDRAWALS

You may use only drafts, checks, and other withdrawal forms supplied by or otherwise approved by the Credit Union. The Credit Union may refuse to pay orders or engage in transactions using any other forms. If you tell us a draft, check, or other withdrawal form was forged, altered, or otherwise not properly payable after the Credit Union has made final payment on the item, the Credit Union may withhold the amount so paid from your Account until a final determination of your claim has been made. You must report the loss or theft of any blank drafts, checks or other withdrawal forms promptly to the Credit Union. Withdrawals from Certificate Accounts may be subject to applicable rules regarding early withdrawal.

Withdrawals by other means, such as at an ATM or through Online Banking or Mobile Banking, are discussed in later sections of this Agreement.

## POSTING

When we “post” transactions that have occurred on your account, we “credit” (or add) deposits and “debit” (or subtract) withdrawals and fees. Transactions may be posted in any neutral order selected by the Credit Union. In general, however, we post items in the following order:

- All credits
- Fees for reversed items
- Most debits (other than checks and automatic withdrawals)
- Checks
- Automatic transfers
- System generated transfers

The order in which the Credit Union posts items to your account affects your available balance. You may be able to avoid overdraft fees if a deposit of available funds is posted before ATM withdrawals or debit card transactions that would bring your account balance below zero that day. You should monitor your available balance and make sure you understand how items are posted and when deposits become available. For more information about when funds become available, see “Availability of Funds and Collection of Checks” starting on page 11 of this document.

Contact us in any of the ways listed under “Contact Us” on page 3 of this document for more detailed information regarding the order in which items are posted to your account.

## OVERDRAFTS

We offer several overdraft protection services, as described below, for your Checking Accounts.

### *Personal Line of Credit*

You may apply for a Personal Line of Credit for an eligible Checking Account. If you have a Personal Line of Credit, we will automatically lend you the amount you need to cover checks or other withdrawals that would overdraw your Checking Account, up to the amount of your approved credit limit.

For more information about applicable interest rates, fees, terms and conditions, and applications for a Personal Line of Credit, contact us in any of the ways under “Contact Us” on page 3 of this document.

### *Automatic Transfer*

If you do not have a Personal Line of Credit or you do not have enough available credit on a Personal Line of Credit to cover the amount of an overdraft but there are sufficient available funds in your Savings Account, we will automatically transfer the amount needed to cover a Checking Account overdraft from your Savings Account.

For more information about Automatic Transfers and the fees that apply to them, contact us in any of the ways under “Contact Us” on page 3 of this document. You should also contact us if you do not want us to make Automatic Transfers for your accounts.

### *Courtesy Pay*

If overdraft coverage is not available under either a Personal Line of Credit or an Automatic Transfer, then the Credit Union is not required to permit a withdrawal from your Checking Account that exceeds the available funds in your Account. However, we may permit such a withdrawal under the Credit Union's Courtesy Pay program as described below. We pay overdrafts under the Credit Union's Courtesy Pay feature at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction even if you have an eligible account and even if you have asked us to do so. Typically, we will not permit a withdrawal that would cause your account to be overdrawn by more than \$1,000. If we permit a withdrawal under our Courtesy Pay program, you agree to pay the overdrawn amount, and all applicable Overdraft or Non-Sufficient Funds fees as soon as we give you notice of the overdraft. Fees may be applied to each individual item that overdraws your Checking Account, even if we do not pay it.

The Credit Union considers several factors in determining whether your Checking Account is eligible for Courtesy Pay, including whether:

- You are at least 18 years old
- Your Account has been opened for at least 30 days
- Your Account is in good standing as determined by the Credit Union (which includes – but is not limited to – that you have not filed for bankruptcy or had a loan charged off)
- All previous overdrafts have been repaid promptly, and in any event within no more than 32 days

- Your account has had a positive balance for at least one 24-hour period during the preceding 32 days

Courtesy Pay works differently for Checks, ACH Transactions, and Recurring Payments than it does for ATM and Debit Card Transactions.

*Checks, ACH Transactions, and Recurring Payments* – We may activate Courtesy Pay to cover checks, ACH transactions, and recurring payments on eligible accounts unless you “opt out” (in other words, unless you tell us you do **not** want Courtesy Pay). To opt out, contact us in any of the ways listed under “Contact Us” on page 3 of this document. You can change your preference at any time by contacting us with new instructions.

*ATM and Debit Card Transactions* – We do **not** activate Courtesy Pay to cover ATM and Debit Card transactions on eligible accounts unless (i) Courtesy Pay is activated for the checks, ACH transactions, and recurring payments on the Account *and* (ii) you “opt in” (in other words, unless you specifically request Courtesy Pay for your ATM and Debit Card transactions). To request (or cancel) ATM/Debit Card overdraft coverage at any time, contact us in any of the ways under “Contact Us” on page 3 of this document.

## STOP PAYMENT ORDERS

You may stop payment on any draft or check drawn on your Direct Checking or Money Market Account by contacting the Member Services Department of the Credit Union. For telephone numbers, hours, and addresses, see the “Contact Us” on page 3 of this document.

If you telephone the Credit Union, we may require that you send us the stop payment order in writing so that the Credit Union receives it within 14 days of when you called.

You must tell the Credit Union the exact amount of the check, the check number and the full number of the Account on which it is drawn for us to be able to stop it.

If the information that you provide is not correct, or if you do not provide any other reasonable information that the Credit Union asks for about the check or debit, or if you do not provide the information within a reasonable time before the check is presented, the Credit Union will not be responsible if we are not able to stop it.

Your stop payment order must be received by the Credit Union before the draft or check has been paid. All stop payment orders expire automatically after 180 days unless renewed.

The Credit Union is not obligated to accept a stop payment order on any cashier’s check, treasurer’s check, certified check, or money order. If the Credit Union agrees to do so, we may first require you to post a surety bond, indemnify us for any potential damages, and/or file a declaration of loss in any form we reasonably request.

You can stop payment of an electronic debit to your Account only under limited circumstances. See the explanation of your “Right to Stop Payment” in the “Preauthorized Electronic Funds Transfer Agreement” section of this document and the “Stop Payment Orders” paragraph in the “General Provisions” section.

## FEES

You agree to pay any standard Account charges that apply to your Account and to pay fees and charges for such services as Direct Debit Cards, preauthorized transfers, A2A and P2P transfers, certified checks, and dishonored checks. These charges may change from time to time. A list of the Credit Union’s current charges for commonly requested services is contained in the Credit Union’s Schedule of Fees. You may obtain an updated Schedule of Fees at any time by contacting the Credit Union. For telephone numbers, hours, and addresses, see the “Contact Us” on page 3 of this document. Or go to Direct.com and obtain a copy from the Forms Library.

No waiver by the Credit Union of a service charge on any one occasion shall constitute a waiver of such charge on any other occasion.

## INSURANCE

Direct Federal Credit Union Accounts are federally insured by the National Credit Union Administration.

## TRANSFERABILITY OF ACCOUNT

All Credit Union Accounts are non-transferable except on the books of the Credit Union. No Account may be pledged or assigned except with the prior written consent of the Credit Union.

## COLLECTION

To the extent permitted by law, you will be required to pay any expenses incurred by the Credit Union (including, without limitation, court costs and reasonable attorney’s fees) in attempting to collect any amount owed by you with respect to any Account or service.

## SET-OFF

If you (or either of you, if this is a joint Account) are in default of any obligation you have to make payments to the Credit Union, the Credit Union may (but is not obligated to) apply any balance you have in any Account to reduce or extinguish that obligation. The Credit Union has this right in addition to any other rights it may have under applicable law.

## STANDARD OF CARE

The Credit Union uses automated systems in the processing of checks in order to handle a high volume of items at the lowest possible cost to you. You agree that, to the extent that such systems are comparable to those generally in use in the credit union industry, their use will constitute ordinary care and the Credit Union will not be liable to you for forgeries or alterations that are not detected by such systems. You also agree that ordinary care will not include detecting forgeries or alterations that could not be detected by an ordinary person acting with reasonable care.

The Credit Union establishes security procedures for its ATM cards, Online Banking, Mobile Banking, and other services. You agree to comply with such procedures. You also agree that, to the extent that such security procedures are comparable to those generally in use in the credit union industry, their use will constitute ordinary care and, except as otherwise required by law, the Credit Union shall not be liable to you for losses resulting from unauthorized transactions that are not detected by such procedures.

## LIABILITY

You agree to hold the Credit Union harmless from and against any and all claims, demands, liabilities, losses, damages (including, without limitation, costs and expense of litigation and reasonable attorney's fees) arising directly or indirectly from your Account, provided that the Credit Union has exercised ordinary care pertaining to the matters giving rise to any such claims, demands, liabilities, losses or damages.

You agree that the Credit Union shall not be responsible and shall incur no liability to you for any direct, indirect, special, or consequential damages that you may incur as a result of the Credit Union's failure to perform properly, or any delay by the Credit Union in performing, our obligations regarding your Account if such failure or delay results from any cause beyond the Credit Union's control.

## WAIVER; INVALID PROVISIONS

We may delay enforcing any of our rights without losing them. Any waiver of a right on any one occasion shall not constitute a waiver of that or any other right on any other occasion. Our remedies are cumulative, unless applicable law provides otherwise.

If any provision of this Agreement is determined to be unenforceable, such provision shall be ineffective only to the extent unenforceable, and the remainder of such provision and all other provisions of this Agreement shall remain in full force and effect.

## REPORTING INFORMATION

The Credit Union has the right to report information about your Account or any service provided to you to any consumer reporting agency or to anyone you give the Credit Union's name to as a reference.

## CLOSING YOUR ACCOUNT

The Credit Union has the right to close any of your deposit Accounts (other than a Certificate Account) or terminate any service provided in connection with an Account, at any time, without advance notice. The Credit Union's decision to close an Account or terminate a service will not affect your existing obligations, including any obligation to pay fees or charges incurred prior to termination.

## AMENDMENTS

The Credit Union has the right to amend its Account Rules and Regulations or to change the terms of any Account service at any time. The Credit Union will give you notice of any changes that increase Account costs or decrease Account services as required by law.

## NOTICES

Notices to you are effective when mailed, emailed, sent via SMS, or delivered to the last address the Credit Union has for you. Notice to the Credit Union is effective when received. On a joint Account, notice to or from one Account holder is deemed to be effective notice to or from all Account holders.

## APPLICABLE LAW

All Accounts are governed by the Credit Union's Account Rules and Regulations, as in effect from time to time, and by applicable Federal and Massachusetts laws. If the Account Rules and Regulations conflict with applicable law, they shall be deemed to be amended to the extent necessary to comply with such law. The validity of the remaining Rules and Regulations will not be affected.

## EVIDENCE

If the Credit Union goes to court for any reason, we can use a copy of any document to prove what you owe or that a transaction has taken place and the copy will have the same validity as the original. The Credit Union may maintain records and produce a copy of any document by any method that accurately reproduces the original, including (but not limited to) photographic, microfilm, microfiche, and optical imaging.

## SPECIAL RULES FOR CERTIFICATE ACCOUNTS

When you establish a Certificate Account, you agree to leave the full principal amount on deposit until the agreed maturity date. No additional deposits may be made to a Fixed Rate Certificate Account or a Fixed Rate IRA Certificate after the Account is established. Additional deposits are permitted on Variable Rate IRA Certificates.

The agreed dividend rate on a Fixed Rate Share Certificate or Fixed Rate IRA Certificate will remain in effect until the maturity date. The dividend rate on a Variable Rate IRA Certificate may change on the first day of each calendar quarter.

A penalty will be imposed for any withdrawal of principal from a Certificate prior to its maturity date, computed as follows:

All IRA-CDs (Fixed and Variable):

Term less than 1 year:	30 days' dividends on the principal amount withdrawn
Term 1 year or longer:	90 days' dividends on the principal amount withdrawn (calculated on variable rate certificates using the average of the rates in effect during the time the funds were on deposit)

All non-IRA-CDs:

Term less than 1 year:	30 days' dividends on the entire principal
balance Term 1 year or longer:	90 days' dividends on the entire principal balance

No penalty will be imposed when a withdrawal follows the death of the prime owner, the disability of the prime owner when the disability occurred after the CD or IRA-CD was opened, or the close of the dividend period in which the prime owner's membership in the Credit Union was terminated. No penalty will be imposed for withdrawals from an IRA-CD by members who are 70½ years of age or older or from a Roth IRA-CD by members who are 59½ years of age or older. Regardless of your age, we will also allow a one-time transfer from a Variable Rate IRA-CD to a Fixed Rate IRA-CD, for a term equal to or greater than the term remaining on the Variable Rate IRA-CD. (Transfers may be made at any time after seven days following the date you opened or renewed the Variable Rate IRA-CD. You must select a term for the new certificate from those currently offered by us for Fixed Rate IRA-CDs.)

Unless instructed otherwise, the Credit Union renews all Term Accounts automatically at maturity on the terms disclosed in a renewal notice sent to the prime owner 15 days before the maturity date. **You will have a grace period of 7 calendar days (beginning with the maturity date) to withdraw the funds or change the term without being charged an early withdrawal penalty.**

## EXPRESS CONSENT FOR TELEPHONE CALLS

When you provide us with a telephone number (including for a landline, cellular, VOIP, or any other form of telephone device), you are expressly consenting that we may use that number to contact you and that we may allow service providers who assist us in providing account services to you to use that number to contact you. We may contact you by any method, including voice call, prerecorded call, texts, and other methods, even if you may incur charges from your phone provider when we do. We may contact you about your account (such as with a fraud alert or payment due notice) or to offer you other products or services we think may be of interest to you.

You may revoke your consent to be called by calling us at 781.455.6500 or 888.2DIRECT during the business hours listed on page 3 of this document. However, certain services can be offered only if we have consent to call you. We may close your account or terminate individual services if you revoke your consent to be called.

## Substitute Checks and Your Rights

### *Important Information Relating To Your Share Draft Account*

Congress created "substitute checks" under the federal Check Clearing for the 21st Century Act, or "Check 21," to make it possible for banks and other financial institutions to transmit checks among each other electronically. This law will affect your share draft Accounts by enabling checks that you write to clear the Account faster. You will also notice that some checks you write will be replaced with "substitute checks" before they are presented to us for payment. This section explains substitute checks and your rights regarding them.

#### 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 or drafts 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 (for example, bounced check fees).

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. For telephone numbers, hours, and addresses, see the "Contact Us" on page 3 of this document.

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.
- A copy of the substitute check or sufficient information to help us identify the substitute check, such as the check number, name of the person to whom you wrote the check, and the amount of the check.

## Availability of Funds and Collection of Checks

### YOUR ABILITY TO WITHDRAW FUNDS

Like most financial institutions, the Credit Union's policy is to delay the availability of funds that you deposit in your Account. 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.

Please remember that, even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks and deposited items that are returned to us unpaid and for any other problems involving your deposit.

If you have any questions, be sure to ask.

### DETERMINING THE AVAILABILITY OF A DEPOSIT

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturday, Sunday, and Direct Federal holidays.

If you make a deposit at a teller's window, by mail, or through Mobile Deposit so that we receive it any time before 4:00 p.m. on a business day, we will consider the day we receive it to be the day of your deposit; otherwise, we will consider the next business day to be the day of your deposit.

If you make a deposit at an Automated Teller Machine before 4:00 p.m. Eastern Time, we will consider the transaction date to be the day of your deposit; otherwise, we will consider the next business day to be the day of your deposit.

The length of time for which the availability of funds is delayed after the date of deposit varies depending on the type of deposit and is explained below.

### SAME-DAY AVAILABILITY

Funds from the following deposits are available on the day of deposit:

- Cash.
- Electronic deposits, including wire transfers and pre-authorized credits (such as social security benefits and payroll payments), but not including check deposits sent to the Credit Union through Mobile Deposit.
- Checks drawn on Direct Federal Credit Union.
- The lesser of (1) \$275 or (2) all other deposits (except Foreign Checks).

### NEXT-DAY AVAILABILITY

Funds from the following deposits are available on the first business day after the day of deposit:

- Checks drawn on the United States Treasury and payable to you
- The following checks, if they are payable to you and are deposited in person at a branch:
  - Commonwealth of Massachusetts and local government checks
  - Cashier's, certified, and teller's checks
  - Checks drawn on a Federal Reserve Bank or a Federal Home Loan Bank
  - U.S. Postal Money Orders

### SECOND-DAY AVAILABILITY

Funds from the following deposits are available on the second business day after the day of deposit:

- The following checks, if they are not payable to you and/or are not deposited in person at a branch:
  - Commonwealth of Massachusetts and local government checks
  - Cashier's, certified, and teller's checks
  - Checks drawn on a Federal Reserve Bank or a Federal Home Loan Bank
  - U.S. Postal Money Orders
- The lesser of (1) all other deposits (except Foreign Checks) or (2) the first \$6,725 of all deposits you made that day minus any portion of such amount that has already been made available to you.

### FIFTH-DAY AVAILABILITY

All other deposits (except Foreign Checks) will be available no later than the fifth business day after the day of your deposit.

## LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period than is described above under the following circumstances:

- We have reasonable cause to believe a check you deposit will not be paid.
- You or we 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 communications or computer equipment.

We will notify you if we delay your availability to withdraw funds for any reason, and we will tell you when the funds will be available. They will generally be available no later than the ninth business day after the day of your deposit.

## HOLDS ON OTHER FUNDS FOR CHECK CASHING

If the Credit Union cashes a check for you that is drawn on another financial institution, it may delay your ability to withdraw a corresponding amount of funds that you have on deposit in an Account with the Credit Union. The funds in this Account will be held for a period equal to the length of time the check would have taken to become available had it been deposited rather than cashed.

## FOREIGN CHECKS

A foreign check is a check drawn on a financial institution located outside the United States or on a branch of a U.S. financial institution located outside the United States. The only foreign checks the Credit Union accepts for deposit are checks drawn on a financial institution or branch located in Canada. The funds from a deposit of these Canadian checks will be available on the fifth business day after the day of deposit unless a longer delay applies under the sections of this Policy captioned "Longer Delays May Apply" or "Special Provisions for New Accounts." Please ask if you need to know when funds will be available from deposits of Canadian checks.

## SPECIAL PROVISIONS FOR NEW ACCOUNTS

If you are opening a new Account relationship, funds deposited in the Account may be subject to certain special availability rules (described below) for the first 30 days. Except as affected by these special rules, the Credit Union's standard policy continues to apply to the Account.

These special rules may apply during the first 30 days of your Account:

### SAME-DAY AVAILABILITY

There is no change to the Credit Union's "Same Day Availability" policy for new Accounts.

### NEXT-DAY AVAILABILITY

Funds from the following deposits are available on the first business day after the day of deposit:

- The first \$6,725 of the following deposits (minus any amount that was already made available on the day of deposit):
  - Checks drawn on the United States Treasury and payable to you
  - The following checks, if they are payable to you and are deposited in person at a branch:
    - Commonwealth of Massachusetts and local government checks
    - Cashier's, certified, and teller's checks
    - Checks drawn on a Federal Reserve Bank or a Federal Home Loan Bank
    - U.S. Postal Money Orders

### SECOND-DAY AVAILABILITY

Funds from the following deposits are available on the second business day after the day of deposit, provided the total amount of the checks made available on the "day of deposit" and the "next day" and "second day" after deposit do not exceed \$6,725:

- The following checks, if they are payable to you but not deposited in person at a branch:
  - Commonwealth of Massachusetts and local government checks
  - Cashier's, certified, and teller's checks
  - Checks drawn on a Federal Reserve Bank or a Federal Home Loan Bank
  - U.S. Postal Money Orders

### LATER AVAILABILITY

Funds from all other deposits will be available no later than the 9th business day after the Credit Union receives the deposit.

Your Account is considered to be a "new Account relationship" if any of the owners of the Account is new to the Credit Union. A person is new to the Credit Union unless, within the last 30 days, he or she had a Direct Federal Credit Union share Account that had been in existence for at least 30 days.

## Truth In Savings Disclosures

### ANNUAL PERCENTAGE YIELD (APY) AND DIVIDEND RATE

The Dividend Rate (at which dividends are paid on Credit Union Accounts) and APY (an annualized rate based on the dividend rate and the compounding period) currently offered on the Credit Union's new Certificates of Deposit (CDs) and Individual Retirements Accounts (IRAs) have been provided to you on a separate Deposit Rates sheet). Rates are in effect for Accounts opened during the week shown on the rate sheet. All of the Credit Union's current Dividend Rates and Annual Percentage Yields for new Accounts are available by contacting the Credit Union. For telephone numbers, hours, and addresses, see the "Contact Us" on page 3 of this document.

### VARIABLE RATE ACCOUNTS

The Dividend Rates and APYs on all Savings, Secondary Savings Accounts, High-Yield Savings, Money Market, Premium Money Market and High-Yield Money Market Accounts may change monthly at the discretion of the Credit Union. The Rate-Lock Money Market rate may change monthly at the discretion of the Credit Union. The Dividend Rate and APY on the Variable Rate 24-month IRA CD may change quarterly, based on the average of the Credit Union's 24-month IRA CD rates for new Accounts in effect during the previous quarter. There are no limitations on the amount by which the rates may change. The credit union may discontinue the Premium and High-Yield Money Market offer at any time.

### WHEN DIVIDENDS BEGIN TO ACCRUE

Dividends on both cash and non-cash deposits begin to accrue on the day of deposit. If we receive the deposit before 4:00 p.m. on a business day, we consider that day to be the day of deposit. If we receive the deposit after 4:00 p.m. on a business day or on any day that is not a business day, we consider the next business day to be the day of deposit.

### COMPOUNDING AND CREDITING

Interest is credited (posted) and compounded (added to the principal balance on which interest is paid) monthly on all interest-bearing Accounts other than CDs and IRAs. On CDs and IRAs, interest is compounded daily and credited to the Account monthly. If you close an Account before dividends are credited, the Credit Union will credit accrued dividends to the Account at the time you close it.

### MINIMUM DEPOSIT AND BALANCE REQUIREMENTS

There are three minimums that are important for each type of Account:

- The minimum deposit required to open the Account;
- The minimum balance required to earn interest at the stated Annual Percentage Yield; and
- The minimum balance required in order for the Credit Union to waive monthly service charges, if any are applicable to the Account.

The minimum deposit required to open a Savings and Secondary Savings Account and to earn the stated APY is \$5. The minimum deposit required to open a Money Market Account and to earn the stated APY is \$500. The minimum deposit required to open a High-Yield Savings Account is \$0 and there is a minimum daily balance of \$5,000 to earn the stated APY. If the balance in the High-Yield Savings Account falls below \$5,000 for any day during the month, no interest will be paid for that dividend period and the earned APY for the month will be 0%. The minimum deposit required to open a Premium Money Market Account is \$500 and there is a minimum daily balance of \$25,000 to earn the stated APY. If the balance in the Premium Money Market Account falls below \$25,000 for any day during the month, no interest will be paid for that dividend period and the earned APY for the month will be 0%. The minimum deposit required to open a High-Yield Money Market Account is \$500 and there is a minimum daily balance of \$200,000 to earn the stated APY. If the balance in the High-Yield Money Market Account falls below \$200,000 for any day during the month, no interest will be paid for that dividend period and the earned APY for the month will be 0%. If the balance in the High-Yield Money Market Account falls below \$200,000 for any day during the month, no interest will be paid for that dividend period and the earned APY for the month will be 0%. The minimum deposit required to open a Rate-Lock Money Market Account is \$500 and there is a minimum daily balance of \$25,000 to earn the stated APY. If the balance in the Rate-Lock Money Market Account falls below \$25,000 for any day during the month, no interest will be paid for that dividend period and the earned APY for the month will be 0%. The minimum deposit required to open a Fixed Rate CD or IRA and to earn the stated APY is \$250. The minimum deposit required to open a Variable Rate IRA is \$50 and there is no balance requirement to earn the stated APY. The minimum balances for waiving certain fees are shown on the Credit Union's separate Schedule of Fees, a copy of which you have been given.

### BALANCE COMPUTATION METHOD

For all Savings, and Money Market Accounts, the Credit Union uses a daily balance for all minimum balance requirements and for purposes of computing dividends. For CDs and IRAs, the Credit Union uses an average daily balance for all minimum balance requirements and for purposes of computing dividends. The daily balance is the balance of your Account at the end of the day. To determine the average daily balance of your Account for a dividend period, we add together all daily balances of the Account during that period and divide the sum by the number of days in the period.

## NATURE OF DIVIDENDS

For accounts (other than CDs) that earn dividends, dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

## FEES

Fees that may be imposed in connection with your Accounts are disclosed on the Credit Union's Schedule of Fees, a copy of which has been provided to you separately. Fees may reduce earnings.

## TRANSACTION LIMITATIONS

There are no limitations on the number or amount of withdrawals from or deposits to your Account.

## SPECIAL RULES FOR TERM ACCOUNTS (including all CDs and IRA-CDs)

The APY disclosed for all Term Accounts assumes that dividends will remain in the Account until maturity. Withdrawal of dividends prior to maturity will reduce earnings.

A penalty will be imposed for withdrawal of principal before maturity, computed as follows:

All IRA-CDs (Fixed and Variable):

Term less than 1 year:	30 days' dividends on the principal amount withdrawn
Term 1 year or longer:	90 days' dividends on the principal amount withdrawn (calculated on variable rate certificates using the average of the rates in effect during the time the funds were on deposit)

All non-IRA-CDs:

Term less than 1 year:	30 days' dividends on the entire principal balance
1 year or longer:	90 days' dividends on the entire principal balance

No penalty will be imposed when a withdrawal follows the death of the prime owner, the disability of the prime owner when the disability occurred after the CD or IRA-CD was opened, or the close of the dividend period in which the prime owner's membership in the Credit Union was terminated. No penalty will be imposed for withdrawals from an IRA-CD by members who are 70½ years of age or older or from a Roth IRA-CD by members who are 59½ years of age or older. Regardless of your age, we will also allow a one-time transfer from a Variable Rate IRA-CD to a Fixed Rate IRA-CD, for a term equal to or greater than the term remaining on the Variable Rate IRA-CD. (Transfers may be made at any time after seven days following the date you opened or renewed the Variable Rate IRA-CD. You must select a term for the new certificate from those currently offered by us for Fixed Rate IRA-CDs.)

Unless instructed otherwise, the Credit Union renews all Term Accounts automatically at maturity on the terms disclosed in a renewal notice sent to the prime owner 15 days before the maturity date. You will have a grace period of 7 calendar days (beginning with the maturity date) to withdraw the funds or change the term without being charged an early withdrawal penalty.

## Direct DEBIT Card Agreement

This Agreement, including the terms in the section of this document entitled "General Provisions Regarding Electronic Funds Transfers" and in Direct Federal's "Schedule of Fees," governs the use of your Direct Debit Card to initiate electronic funds transfers. Each person who requests or uses the Card will be bound by all of these provisions.

## THE DIRECT DEBIT CARD

In this Agreement, the terms "Direct Debit Card" "Debit Card", and "Card" are used to refer to Direct Federal Debit Card. ATM Card refers to Direct's ATM Card.

For Automated Teller Machine ("ATM") and on-line Point of Sale ("POS") transactions, the Direct Debit Card works by use of a Personal Identification Number ("PIN") which you have selected and which you agree to keep secret and not write on your Card. If your card bears the MasterCard® logo, you may also use your card to perform "off line" POS transactions, for which no PIN is required. You must sign the Card immediately when issued to you and understand that the Card is our property. If you or we terminate this Agreement, you agree to cut the Card in half and return it to us promptly.

## USING YOUR Debit CARD

You may use your Debit Card for the types of transactions described below at the ATMs and POS terminals described below. Each use of your Card will be an order to affect that transaction and will be equivalent to signing an authorization for that transaction. You agree to be responsible for all such transactions performed with your Card and you agree that you will not authorize any other person to use your Card. You may withdraw only "good funds" (funds that we have verified and that are available for withdrawal) on deposit in any Checking or Savings Account of yours that you access with your Card, or that are within any available credit line if you have signed a Personal Line of Credit Agreement for the Account you are accessing. You may also access a Secondary Savings Account or Money Market Account with your Card. If any transaction results in funds being withdrawn

that exceed your credit line or the balance of good funds in your Account, you agree to pay us immediately the amount of the excess together with any service charge imposed.

## USING YOUR ATM CARD

You may use your ATM Card for the types of transactions described below at the ATMs described below. Each use of your Card will be an order to affect that transaction and will be equivalent to signing an authorization for that transaction. You agree to be responsible for all such transactions performed with your Card and you agree that you will not authorize any other person to use your Card. You may withdraw only "good funds" (funds that we have verified and that are available for withdrawal) on deposit in any Savings Account of yours that you access with your ATM Card. You may also access a Secondary Savings Account or Money Market Account with your Card. If any transaction results in funds being withdrawn that exceed your credit line or the balance of good funds in your Account, you agree to pay us immediately the amount of the excess together with any service charge imposed.

## LOCATIONS

You may use your Debit/ATM Card at any ATM or POS terminal that is part of the NYCE® or CO-OP® Systems. If you have a Debit Card, you may also use your Card at any merchant location that displays the MasterCard® logo. Some of the "Types of Transactions" described below are different for ATMs and POS terminals connected to one System than they are for ATMs and POS terminals connected to another System, so you should read that section of this Agreement carefully.

## TYPES OF TRANSACTIONS

During the hours that the ATMs and POS terminals are accessible to the general public, you may use your Card for any of the types of transactions listed below. You may only access Accounts designated by you and approved by us for these transactions. Some of these services may not be available at all terminals at all times.

1. You may use your Debit/ATM Card at any ATM that is part of the NYCE® or CO-OP® System to:
  - a. Withdraw cash from your Checking or Savings Accounts.
  - b. Obtain cash advances from your Personal Line of Credit.
  - c. Make inquiries regarding the balances in your Personal Line of Credit, Checking, and Savings Accounts.
  - d. Transfer funds among your Personal Line of Credit, Checking, and Savings Accounts.
2. You may use your Card at any Debit/ATM in the Commonwealth of Massachusetts that is part of the NYCE® Shared ATM Deposit Program to:
  - a. Make deposits to your Checking or Savings Account.
  - b. Make deposits to your Checking or Savings Accounts and obtain cash back in the same transaction.
3. You may use your Debit Card at any POS terminal that is part of the NYCE® or CO-OP® System to:
  - a. Withdraw funds from your Checking Account to pay for the retail purchase of goods and services.
4. If you have a Direct Debit Card, you may also use your Card at any retail location where MasterCard® is accepted, to effect an "off-line" POS transaction. (In an "off-line" POS transaction, the merchant imprints a transaction slip using your Direct Debit Card. The amount of your off-line POS purchase is debited from your Checking Account, typically within 3 days of your purchase.)

## LIMITATIONS ON TRANSACTIONS

There is no limitation on the number of ATM transactions for the ATM Card or ATM/POS transactions for the Debit Card that you may make. However, there are limitations on the total dollar amount of ATM withdrawals, POS transactions, and ATM "cash back" transactions you may make each day.

If you have an ATM Card, the total amount of "cash back" you may receive in a deposit transaction (see paragraph 2(b) in the section of this Agreement captioned "Types of Transactions") per day between 12:01 A.M. and 12:00 Midnight the following day is \$1,000. The total amount that may be withdrawn by each cardholder during each calendar day in cash. You may obtain this total amount in more than one transaction in any combination of ATMs terminals connected to the NYCE® or CO-OP® Systems. Cash may be withdrawn only in multiples of a denomination that can be processed by the ATM at which the transaction is made (for example, withdrawals at most ATMs must be in multiples of \$20.00).

If you have a Direct Debit Card, the combined total amount of your ATM withdrawal, cashback, and POS transactions may not exceed \$2,000 per day.

Please note that a "hold" will be placed against your Checking Account balance for the combined amount of all off-line POS transactions that occur daily. The "held" amount will also be deducted from your Checking Account balance for three days or until the transaction is presented for payment, whichever is sooner. However, your spending limit for those three days will be reinstated to the full limit. On the fourth day your Checking Account

balance will not reflect the held amount for the off-line purchase, even if the transaction has not been presented against your Account.

(The following example assumes no other Account activity: Your Checking Account balance on Monday is \$2,500. You have a Debit Card with a spending limit of \$2,000. You make an off-line POS purchase for \$300 on Monday afternoon. Your spending limit for the rest of Monday is \$1,700. On Tuesday, Wednesday and Thursday, an ATM balance inquiry would show a \$2,200 balance (i.e., your Account balance minus the off-line purchase amount of \$300). However, your spending limit on Tuesday, Wednesday and Thursday is reinstated to \$2,000. On Friday, if the Monday transaction has not been presented to us for payment, an ATM balance inquiry would reflect a \$2,500 balance. If the transaction is presented and processed on Friday, an ATM balance inquiry would show a balance of \$2,200).

If you request us to do so, we can reduce the amount of cash you can receive from an ATM to an amount as low as \$50.00.

From time to time, we may notify you of other limitations or restrictions on the use of your Card.

You also agree that we may utilize other security mechanisms that might limit the use of your Card, which we may change from time to time without notifying you. Repeatedly failing to enter your correct PIN, for example, will cause your Card to be invalidated. An ATM may retain your Card if you have reported it lost or stolen, if you have closed your Account, if you have withdrawn funds in excess of your credit line or of the good funds on deposit in your Account, or if we have a reasonable belief that any risk exists with the respect to the security of your Account(s) or the system as a whole.

## ATM AND POS CHARGES BY THIRD PARTIES

You may be charged a fee by the owner or operator of an ATM or POS terminal and by the network that completes the transaction. The Credit Union cannot control the amount of such fees. Read posted or screen notices carefully to determine whether such fees will be imposed at a particular ATM or POS terminal and, if so, what the amount of the fee will be.

## Direct.com Online Banking Agreement

This Agreement, including the terms in the section of this document entitled "General Provisions Regarding Electronic Funds Transfers" and in Direct Federal's "Schedule of Fees", governs your Direct.com Online Banking and Mobile Banking transactions. Each person who requests or uses these services will be bound by all of these provisions.

## ACCESSING YOUR ACCOUNTS THROUGH DIRECT.COM ONLINE BANKING

Account and System requirements:

- a. To access your Accounts through Direct.com Online Banking, or Mobile App you will need to enroll in Online Banking. To enroll, you will need your Social Security Number, Date of Birth, and Zip Code.
2. Business Users please refer to separate agreement.
- a. Password: To access your Accounts through Direct Federal's Mobile App, you will need your Online Banking Username and Password. If you have never accessed Online Banking on a computer, you will need to enroll in Online Banking or through the Mobile App following the directions in paragraph (a), above. You must also download an "App" for your Apple or Android smartphone or tablet or access the optimized browser version of our Online Banking service through [www.direct.com](http://www.direct.com).
- b. Your Online Banking Password is confidential, and you agree not to reveal it to anyone else. You also agree that we may rely on the authority of anyone who provides your Online Banking Password at the time of making an Online Banking or Mobile App transaction. You agree to tell us immediately if someone else learns your Online Banking Password. Your Password must be a minimum of 8 characters. It must contain an alpha/numeric combination using upper and lower case, number and symbol combination. Minimum of one each. Password cannot be repeated. If you request a temporary Password the code sent will only be valid for 120 minutes.
- c. You must use a browser with a **minimum 128-bit encryption** to be able to utilize the Direct.com Online Banking or Mobile App.
- d. To safeguard your use of Direct.com Online Banking and our Mobile App, Direct Federal checks your Internet connection with each log-on to verify that your session is secure. Additionally, you will be asked for your Username and Password each time you login. If your computer terminal or mobile device is left idle for a period of time, your access will be disconnected until you log-on again. Direct Federal's account data systems are protected by firewalls between our systems and the Internet.
- e. Direct Federal Online and Mobile Banking utilizes a two-factor authentication process. Something you know - your Web banking Password, and something you have - your computer or mobile device. You agree to accept the placement of a secure "cookie" or "token" on your computer or mobile device in order to identify that computer or mobile device for purposes of authentication.

## PERMISSIBLE TRANSACTIONS FOR DIRECT.COM ONLINE BANKING

- a. **Account Information and Administration:** You may check the balance, of or review, transactions posted to any of your Direct Federal deposit or loan Accounts. In most cases, the Account balance and transactions shown will be current as of the time of your inquiry. In some cases, however, the information may be current as of the preceding business day. The Account balance may include deposits still subject to verification by us and may not include deposits or loans in process, outstanding checks or payments, or other withdrawals, payments, credits, charges or debits. You may also use Online Banking (but not our Mobile App) to apply for loans, reorder checks, place a street address change request, change your email address, sign up for or cancel e-statements, or perform other administrative tasks that are available through the system from time to time.
- b. **Fund Transfers between your Direct Federal Accounts:** You may transfer funds between your deposit Accounts or from any deposit Account to make a payment on any loan Account you have with us. When you request a fund transfer using this service, you authorize us to follow the transfer instructions and transfer the funds from the designated originating Account to the designated recipient Account. We will transfer the funds on the day we receive your transfer instructions. The day we make the transfer is called the "Transaction Date." We may refuse to act on your fund transfer instruction if there are not sufficient available funds in your Account, including funds available under any linked overdraft plan, on the Transaction Date. Funds transferred to the designated recipient Account will be deemed deposited on the Transaction Date and will be available on the date of deposit.
- c. **Credit Advances:** You may request an advance from your VISA, Personal Line of Credit, or Home Equity Line of Credit Account. You may request that we deposit the amount of the advance to one of your deposit Accounts or that we mail you a check.
- d. **Withdrawals:** Through Online Banking (but not the Mobile App), you may withdraw funds from any deposit Account (except an IRA Account or a non-IRA-CD) and request that we mail you a check for the amount of the withdrawal.
- e. **Mobile App:** You may access most Online Banking services through your mobile device using our Mobile App. Each time you access your Accounts through the Mobile App, you will be asked to sign in using your Username and Password. Each time you sign in, your use of our Mobile App will confirm your consent to this Agreement as in effect at the time.

Please note that mobile apps and mobile devices do not all look or operate in exactly the same manner. As a result, some of the transactions and features described below may not be available on all devices.

In addition to other Online Banking services, there are mobile-only services available through the Mobile App:

**ATM and branch locator:** This service will identify ATMs and Direct Federal offices that are near your location. To use this service, geo-locator technology identifies your current location. By using the ATM/office locator service, you are consenting to the use of the geo-locator technology.

**Mobile Deposit:** Mobile Deposit is Direct Federal's mobile check deposit services. Mobile Deposit is not available to all Mobile App users or on all mobile devices. If you attempt to access Mobile Deposit and the service is not available to you, you will receive a message that you are not eligible for Mobile Deposit. If you are eligible for Mobile Deposit and the service is available for your type of mobile device, you can use your mobile device to deposit checks to your Checking, Savings, or Money Market Account by sending a clear image of the check to the Credit Union using the Mobile App. The Account to which you are making the deposit must be in good standing. Checks must be payable to and endorsed by the Account holder, drawn on a US bank, payable in US currency, and dated within 6 months of the deposit date. Checks should be endorsed "For Mobile Deposit Only, Direct Federal Account #\_\_\_\_\_." Checks may not be drawn on the Account to which they are being deposited. All deposits made through Mobile Deposit are considered to be check deposits (not electronic deposits). For purposes of the Credit Union's Funds Availability Policy, checks successfully deposited through Mobile Deposit prior to 4:00 p.m. Eastern Time on any business day will be deemed to have been received by the Credit Union on that business day; checks successfully deposited after 4:00 p.m. Eastern Time on any business day or on any day that is not a business day are deemed to have been received by the Credit Union on the next business day.

Once you have submitted a deposit through Mobile Deposit, we will notify you promptly whether the deposit was successful or rejected. A deposit may be rejected if, for example, the image of the check we received was not legible. Checks successfully deposited through Mobile Deposit will appear in your Account history and balance no later than the day after the day of deposit.

When you submit a check through Mobile Deposit, you represent and warrant to the Credit Union that: (a) the image you are submitting accurately represents all of the information on the front and back of the check; (b) the check and all signatures and endorsements on it are accurate and genuine; (c) neither you nor anyone else has deposited the check previously to the Credit Union (through Mobile Deposit at an ATM, by mail, in person at a branch, or in any other manner) or any other depository institution; (d) neither you nor anyone else will re-deposit the check in any manner in the future (except for re-deposits of items that were returned unpaid); (e) you will store the original check securely so that no other person will have access to it until you have confirmed that the deposit was properly credited to your Account, then you will destroy the original check; and (f) you will provide the original check to us on request (unless you have previously destroyed it as permitted in this

paragraph) to assist us in clearing or collecting the check, resolving third party claims, or for any other business purpose.

You agree that you will not copy, reproduce, modify, change, alter, translate, create derivative works from, reverse engineer, disassemble, decompile, interfere with or attempt to interfere with all or any part of the Mobile Deposit service, including but not limited to the software and other technology that comprise Mobile Deposit. The Credit Union and its service providers, including but not limited to our Online Banking Provider Verifi Software, LLC ("Verifi"), retain all rights, title and interests in and to Mobile Deposit and the underlying software and technology. You also agree that you will not access or use the Mobile Deposit service in any unauthorized manner or for any unauthorized purpose.

You agree to indemnify and hold harmless the Credit Union's service providers, including but not limited to our Online Banking Provider and Verifi, and their affiliates, officers, employees and agents, from and against any third party claims, suits, proceedings, actions or demands (including to claims of another financial institution, business entity or governmental authority), and all losses, liabilities, damages, fines, penalties, costs and expenses (including court costs and reasonable attorney fees and expenses) arising from such claims, to the extent such claims are related to your use of Mobile Deposit or any component thereof, unless such claim directly results from an action or omission of the service provider. This paragraph shall survive the termination of this Agreement

- f. **BillPay:** BillPay is the Credit Union's bill payment service. With BillPay, you may: make current, future, or recurring payments to certain companies or individuals. You may make bill payments in amounts from **\$1.00 to \$9,999.00**. Bill payments to pay taxes, any court ordered payment, or to settle any securities transaction are not recommended. If you authorize a recurring payment to any entity, those payments may continue until you either terminate the recurring payment or there are insufficient available funds to allow the payment. You assume the risk of loss due to an overpayment on any authorized payment using BillPay.

All BillPay transactions will be made from your Checking Account.

You may designate new payees for BillPay through Online Banking (but not through the Mobile App) You must provide sufficient information about each payee as requested from time to time to direct a payment to that payee and permit the payee to identify the correct Account to credit with your payment. Occasionally, a payee may choose not to participate in BillPay or may require additional information before accepting payments. In this case, we may decline to make future payments to this payee.

When you schedule a bill payment using BillPay, you must specify a date on which we are to process the payment. This is called the "Process Date." If you specify a date that is not a business day, the Process Date will be the next business day. Direct Federal may process a payment electronically or by issuing and mailing a paper check to the payee. Therefore, you should specify a Process Date that is at least 10 business days before the payment due date (not including any applicable grace period). This generally allows sufficient time for the payee to receive and process the payment regardless of which payment method we use. Direct Federal is not responsible for delays in the U.S. mail or for processing delays by the payee. If you incur a late charge on a payment processed through BillPay, Direct Federal's service provider will work with the payee to determine why the late charge was assessed and to attempt to have it reversed, provided: (i) the payment was properly scheduled at least 10 business days before the payment due date; (ii) you entered the correct payee name, address, Account number, and payment amount in the BillPay system; and (iii) your Checking Account contained sufficient available funds to make the payment.

Direct Federal withdraws funds from your Checking Account to make a bill payment up to two business days after the Process Date you specified. If there are not sufficient funds in your Checking Account (including any linked overdraft Account) during this time, Direct Federal may withdraw funds from your Money Market Account or Savings Account to make the payment. If there are not sufficient funds in your Checking (including any linked overdraft Account), Money Market, or Savings Account, all BillPay transactions from your Account will be suspended for a period of 5 business days. If you deposit good funds and pay any applicable overdraft fees during that 5-day period, you may request that we resume making bill payments sooner. No bill payment that was scheduled to be made during the suspension period will be made unless you reschedule the payment.

Payments made through BillPay are assigned a unique confirmation reference number. You may review the status of your payments on the Direct.com Online Banking system by clicking on the BillPay Tab and through the Mobile app by clicking on the BillPay button on your mobile device.

BillPay transactions are marked "pending" until the Process Date and "payment sent" thereafter. You may not cancel or edit a bill payment that has been marked "payment sent." You may cancel or edit any "pending" bill payment, free of charge, until 11:30 pm Eastern Time on the business day before the Process Date.

If we issued or mailed a paper check, you may be able to stop a bill payment after it has been marked "payment sent" by contacting our Member Service Team. For telephone numbers, hours, and addresses, see the "Contact Us" on page 3 of this document. If you call us with your stop payment order, we may also require you to confirm your request in writing within 14 days after your call. Although we will make every effort to accommodate your request, we will have no liability for failing to do so if we have not received your request and had a reasonable opportunity to act on it before the check is presented for payment.

If you cancel one of a series of recurring payments to the same payee through BillPay, we will not make

any future payments to that payee until you reschedule the payments.

When using BillPay, you are requesting that payments be made from your Checking Account. If we are unable to complete the transaction for any reason associated with your Checking Account (for example, there are insufficient funds), the transaction may not be completed. Unless prohibited by applicable law, in the event that a bill payment is not completed, we may at our discretion provide you with a return notice.

See our Schedule of Fees for the insufficient funds service fees that will be charged to your Checking Account for bill payment transactions presented against insufficient funds.

As part of our BillPay service, you can arrange to receive electronic versions of your bills (eBills) from participating payees. Participating payees have an "eBills" link below their name on the "Make Payments" screen of our BillPay service in Web Banking. Once you sign up for eBills, an email will be sent to the email address you specify to notify you when an eBill is available. eBills can be viewed in the BillPay area of Direct Federal's Web Banking service. They will look exactly like your paper bill and will contain the same information.

Once you sign up for eBills from a payee, the payee may stop sending you paper bills.

- g External Funds Transfers: We offer two types of external funds transfers: Account to Account (A2A) transfers and Person-to-Person (P2P) transfers. We process all external funds transfers using the Automated Clearing House (ACH) system.

You may make A2A Transfers through Online Banking or Mobile Banking to transfer funds between your Direct Federal Accounts and Accounts you hold at other financial institutions or from your

Direct Federal Accounts to an Account held in the name of another person at Direct Federal or at another financial institution. You may not make a transfer out of an Account held in the name of another person.

You may make P2P transfers through Web Banking or Mobile Banking to transfer funds from your Direct Federal Account to an Account of another person using the other person's email address or mobile phone number. When you request a P2P transfer, you are authorizing us to follow your instructions and use the recipient's contact information to send the funds from the designated originating account to the designated recipient account. We may contact the recipient to obtain his or her account information before we complete the transfer. If the recipient does not provide account information or otherwise does not accept the transfer, we will notify you and credit your Account for the amount of the transfer.

You may also request a P2P transfer from another person through ZELLE. You understand and agree that the other person may not receive your request or may choose to reject or ignore your request. We do not guarantee that you will receive any money as a result of making a ZELLE request. Please reference ZELLE agreement for additional P2P terms and conditions.

Transfers from a Direct Federal Account to an Account at another financial institution are called "outbound" transfers. Transfers from an Account at another financial institution to a Direct Federal Account are called "inbound" transfers. You agree to make external transfers only to and from Accounts that you have a right to access for these transactions.

If an external transfer involves an Account at another financial institution, the other financial institution must be capable of receiving the transfer from Direct Federal.

You must submit instructions in accordance with the rules of the service and with the formatting requirements and other rules of the National Automated Clearing House Association and the New England ACH (collectively, the "ACH Rules"). You must include with your instructions all information we reasonably request and you must comply with any security procedures we institute. You must also comply with any set-up or other procedures required by the recipient of a transfer (such as the prearrangement required by the Internal Revenue Service for electronic tax payments).

We will use reasonable efforts to complete an external transfer in accordance with your instructions if those instructions are given in accordance with this Agreement. If the instructions include a receiving institution's name and ABA number that are inconsistent, the transfer may be completed on the basis of the ABA number; if any recipient's name and Account number are inconsistent, the transfer may be completed on the basis of the Account number.

Transactions will be debited to (subtracted from) the Account from which you are making the transfer on the business day after you initiate the transfer. Unless you qualify for and have requested a "Next Day Transfer," transfers will be credited (added) to the Account to which you are making the transfer on the third business day after you initiate the transfer. These 3-day transfers are called "Standard Transfers." The cut-off time for the initiation of Standard Transfers is 11:59 pm Eastern Time each business day. If you initiate a transfer after that time or on a day that is not a business day, we will treat it as having been initiated on the next business day.

Next Day Transfers are typically credited to the recipient's account on the first business day after the business day on which they are initiated. Next Day Transfers to or from Accounts at other financial institutions are permitted only at our discretion and then only if you are eligible to make them. You will not be eligible to make a Next Day Transfer to an account at another financial institution until you have made a Standard Transfer to the same Account at the other financial institution within the preceding 60 days. Once you have made a Next Day Transfer to an Account at another financial institution, you remain eligible to make Next Day Transfers to that same Account unless we notify you that you are no longer eligible. The cut-off time for the initiation of Next Day Transfers is 7:00 pm Eastern Time each business day. If you initiate a transfer after that

time or on a day that is not a business day, we will treat it as having been initiated on the next business day.

If you ask us to modify or cancel an external transfer, we will use reasonable efforts to do so, but we will not be liable if we are unable to do so. You agree to pay or reimburse us for any losses, costs, or expenses we incur in effecting or attempting to effect your request for a modification or cancellation.

We may reject any external transfer that fails to comply with the terms of this Agreement, the ACH Rules, or any security procedure we have instituted. We may also reject any external transfer because the total amount of all external transfers you have initiated exceeded any dollar limit we have established or for any other reason permitted under the ACH Rules. If we reject an external transfer, we will give you notice as required under the ACH Rules.

External transfers between an Account at Direct Federal and an Account at another financial institution are subject to the following limitations:

Type of Limit	Per Business Day	Per Rolling 30-Day Period
A2A – Inbound	\$5,000	\$10,000
A2A – Outbound	\$15,000	\$25,000
P2P – Inbound	\$5,000	\$10,000
P2P – Outbound	\$5,000	\$10,000

We will give you notice of any returned external transfer as required under the ACH Rules. We will not retransmit a returned transfer unless you instruct us to do so.

You agree to comply with applicable rules, regulations, and laws in effect from time to time with respect to all requested external transfers. This includes, but is not limited to, the ACH Rules and any requirements of the Office of Foreign Assets Control (“OFAC”). Information regarding OFAC requirements can be obtained by calling the OFAC Compliance Hotline, toll free, at 1-800-540-OFAC. Information regarding the ACH Rules can be obtained by contacting the National Automated Clearing House Association at 13450 Sunrise Valley Drive, Suite 100, Herndon, Virginia, 20171, online at [www.NACHA.org](http://www.NACHA.org), or by telephone at (703) 561-1100. Failure to comply with applicable ACH Rules or other applicable law could result in liability for fines and other penalties assessed against Direct Federal, which you agree to pay directly or to reimburse to Direct Federal.

- h. New Services: New services for Direct.com Web Banking may be introduced periodically. We will notify you of the existence of these new services. By using these services as they become available, you agree to be bound by the rules that will be made available to you concerning these services.

LIMITS ON TRANSACTIONS

There are limits on the number or types of transactions that you may process through the Direct.com Online or BillPay services, although there are some types of transactions that are available through one channel that are not available through another. For example, Mobile Deposit is available through Mobile Banking but not through Online Banking, while A2A transfers are available through Web Banking but not through Mobile Banking. There are dollar limitations on A2A and P2P transfers, as described in the “External Funds Transfers” section of this Agreement, and on BillPay transactions, as described in the BillPay section of this Agreement. The Credit Union may also impose limits on the amounts you may deposit through Mobile Deposit. Information on any such limits will be available at [www.Direct.com](http://www.Direct.com) or through the Mobile App. If you submit a deposit through Mobile Deposit that exceeds applicable limits, the Credit Union may, but is not obligated to, post the deposit to your Account. Your ability to transfer funds from your Accounts may also be subject to other legal restrictions and service charges under the Account Rules and Regulations. You should review those Rules and Regulations carefully for information regarding all applicable limitations and service charges.

CONTACTING DIRECT FEDERAL BY ELECTRONIC MAIL (EMAIL)

If you send Direct Federal an email message, Direct Federal will be deemed to have received it on the following business day. Direct Federal will have a reasonable time period to act on your email. You should not rely on email if you need to communicate with us immediately. We request that you do not send us or request sensitive information such as Account numbers, PINs, Passwords, Account information, etc. via any public email system. If you wish to contact us electronically, please use the “Message Center” link after logging into the private Web Banking service. This link provides a secure form to email Direct Federal regarding inquiries on your Accounts.

FEES

There is no charge for access to Online Banking or for most of its related services, such as the Mobile App, Mobile Deposit or BillPay. However, there may be charges for External Funds Transfers, which are shown on our Schedule of Fees.

Fees applicable to your Direct Federal deposit or loan Accounts under the terms of your Account agreement or loan documents will continue to apply to transactions initiated through Online Banking, including fees for wire transfers, stop payment orders, and payments requested against insufficient funds.

For the Credit Union's current Schedule of Fees, contact the Credit Union by any of the methods listed in the "Contact Us" on page 3 of this document. Or, go to Direct.com and obtain a copy from the Forms Library.

## VIRUS, SPYWARE AND MALWARE PROTECTION

Direct Federal is not responsible for any electronic virus, spyware or malware that you may encounter. We suggest that you routinely scan your personal computer using one or more products specifically designed to protect your computer. Undetected virus, spyware and malware programs may corrupt and destroy your programs and files and may compromise your personal information.

## NO SIGNATURE REQUIRED

When any particular payment or other on-line service generates items to be charged to your Account, you agree that we may debit your Account without requiring your signature on the item and without prior notice to you.

## INACTIVITY AND TERMINATION OF YOUR ONLINE BANKING AGREEMENT

You are responsible for complying with all the terms of this Agreement and with the terms and conditions of all other disclosures governing the deposit and loan Accounts that you access using electronic banking services.

We can terminate all or any part of your electronic banking privileges under this Agreement (including Mobile App, Mobile Deposit, BillPay, External Funds Transfers, and VISA Online Services) at any time and for any reason, with or without prior notice. Some of the reasons that we might terminate services include (but are not limited to):

1. You do not pay any fee required by this Agreement when due.
2. You do not comply with the agreement governing your deposit or loan Accounts or your Accounts are not maintained in good standing.
3. You have a significant number of BillPay transactions returned during any 12-month period.
4. Activity that we believe may be fraudulent has occurred on your deposit or loan Account.
5. You attempt to misuse any electronic banking service.
6. You do not access one or more of the services during any 90-day period.

You can also cancel Direct.com Online Banking or any service provided under it (such as Mobile, MobileDeposit, BillPay, External Funds Transfers, or Visa Online Services) at any time. To cancel Online Banking (which will cancel all services provided under Online Banking), you must notify Direct Federal and provide your name and address, the services you are discontinuing, and the effective date to stop the service. For information about how to notify us, see the "Contact Us" on page 3 of this document. You may cancel Mobile at any time simply by stopping using it and deleting the App from your mobile device.

When BillPay or Visa Information Online is terminated by either you or us, any future dated or recurring payments scheduled to be made through Direct.com Online Banking after the effective date of termination will be canceled.

## Pre-Authorized Electronic Funds Transfer Agreement

This Agreement, including the terms in the section of this pamphlet entitled "General Provisions Regarding Electronic Funds Transfers" and in the "Schedule of Fees" governs your preauthorized electronic funds transfers.

## PREAUTHORIZED ELECTRONIC FUNDS TRANSFERS

You may authorize a government agency or other third party to make periodic payments (preauthorized deposits) to any of your Accounts at the Credit Union (other than Fixed Rate Certificate Accounts and Fixed Rate Retirement Certificate Accounts). You may also authorize the Credit Union to transfer funds from a Direct Federal Share Account or an Account at another financial institution to any of your Accounts at the Credit Union (other than Fixed Rate Certificate Accounts and Fixed Rate Retirement Certificate Accounts). Such payments or transfers will be credited to your Account on the same day they are received by the Credit Union. You may also authorize the Credit Union to transfer funds periodically from your Checking or Savings Account to pay obligations you owe to the Credit Union or to third parties. We agree to honor such electronic transfers that are properly presented to us through the Automated Clearing House system or by a third party with whom we have an agreement to honor them, provided that:

1. In the case of preauthorized deposits, we are receiving good funds.
2. In the case of transfers from your Account, you have sufficient good funds or available credit to cover the transfer.
3. In the case of transfers from your Savings Account, the transfer will not cause you to exceed the maximum number of transfers or withdrawals permitted under applicable law.

You may not authorize electronic fund transfers from your Money Market Account, Fixed Rate Certificate, or Retirement Certificate Account.

## LIMITATIONS ON TRANSACTIONS

There are no limitations on the number or amount of preauthorized electronic funds transfers to or from your Account, except as required by law.

## FINDING OUT ABOUT PREAUTHORIZED TRANSFERS FROM YOUR ACCOUNT

If you arrange with a third party for electronic funds transfers from your Account that vary in amount, the third party will tell you 10 days before each electronic transfer when the electronic transfer will be made and how much it will be. You may choose instead to get this notice only when the electronic transfer would differ by more than a certain amount from the previous one, or when the amount would fall outside certain limits that you set.

## FINDING OUT ABOUT PREAUTHORIZED DEPOSITS

If you have arranged to have preauthorized deposits made to any of your Accounts by the same person or company at least once every 60 days, either (a) the third party making the deposit will notify you that the transfer has been initiated or (b) you may call the Credit Union to find out whether the transfer occurred. For the telephone number of the Credit Union Call Center, see the "Contact Us" on page 3 of this document.

## RIGHT TO STOP PAYMENTS

You can stop payment of any preauthorized transfer from your Account if you notify the Credit Union in the following manner:

1. By Telephone - you may call the Credit Union at least three (3) business days before payment is scheduled to be made. If you call, we may require you to send the Credit Union a written confirmation of your stop payment order so that the Credit Union receives it not more than 14 days after you call.
2. By Mail - you may send the Credit Union a written stop payment order, but the order must be received by the Credit Union at least three (3) business days before the payment is scheduled to be made.

For information on how to notify the Credit Union, see the "Contact Us" on page 3 of this document.

When the Credit Union processes your stop payment order, it will stop ALL payments from your Account to the third party named in the order until the Credit Union receives a written notice from you to resume making payments.

## General Provisions Regarding Electronic Funds Transfers

### THE CREDIT UNION'S LIABILITY

If the Credit Union does not complete an electronic funds transfer to or from your Account on time or in the correct amount according to our Agreement, the Credit Union will be liable for your losses or damages.

However, there are some exceptions. You agree that the Credit Union will not be liable:

1. If, through no fault of the Credit Union, you do not have enough money in your Account to make the transfer or if the transfer will go over the credit limit on any Personal Line of Credit attached to the Account;
2. If the funds in your Account are subject to legal process or other encumbrance restricting the transfer;
3. If the ATM at which you are making a transfer does not have enough cash;
4. If an ATM, POS terminal, External Funds Transfer, or BillPay service was not working properly and you knew about the breakdown when you began the transaction;
5. If circumstances beyond the Credit Union's control (such as fire or flood) prevent the transfer, despite reasonable precautions that the Credit Union has taken; or
6. Because of the transaction or security limitations provided for in this Agreement.

If the Credit Union does not stop payment of a preauthorized transfer from your Account after you have given the Credit Union proper notification of your stop payment order as provided in this Agreement, the Credit Union will be liable for your losses or damages.

UNLESS PROHIBITED BY APPLICABLE LAW, THE FOREGOING SHALL CONSTITUTE THE CREDIT UNION'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY AND THE CREDIT UNION SHALL NOT BE LIABLE FOR ANY DIRECT DAMAGES EXCEPT AS SPECIFIED ABOVE OR AS OTHERWISE PROVIDED BY LAW. IN NO EVENT SHALL WE BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF ANY ELECTRONIC FUNDS TRANSFER SERVICE. IN NO EVENT SHALL THE CREDIT UNION'S SERVICE PROVIDERS (SUCH AS ALKAMI OR VERTIFI) BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF YOUR NEGLIGENT OR INTENTIONAL MISUSE OF ANY MOBILE BANKING SERVICE.

Although Direct.com Web Banking and the services offered through it generally are available 24 hours per day, 7 days per week, some services and information may be interrupted from time to time as a result of system maintenance or failure. Direct Federal shall not be liable if you are unable to access Direct.com Web Banking or use any online service or if the information available through Direct.com Web Banking has not been updated for any reason.

Credit given by Direct Federal to you with respect to an automated clearing house credit entry is provisional until the Credit Union receives final settlement for such entry through a Federal Reserve Bank. If the Credit Union does not receive such final settlement, you are hereby notified and agree that the Credit Union is 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.

Under the Operating Rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account, the Credit Union is not required to give next day notice to you of receipt of an ACH item and the Credit Union will not do so. However, the Credit Union will continue to notify you of the receipt of payments in the periodic statements we provide to you.

The Credit Union may accept on your behalf payments to your Account which have been transmitted through one or more Automated Clearing Houses (ACH) 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 state of Massachusetts as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account.

**WE MAKE NO WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THE DIRECT.COM WEB BANKING SERVICE INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

## **UNAUTHORIZED TRANSFERS**

### **YOUR LIABILITY**

You will be liable for unauthorized use of your Direct Debit Card, PIN, or Direct.com Online Banking Password to the extent allowed by applicable federal and state law and this Agreement.

You agree to tell the Credit Union AT ONCE if you believe your Card, PIN, or Password has been lost or stolen or used without your permission. You understand that telephoning is the best way of minimizing your possible losses.

You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

If you believe that your Card, PIN, or Password has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call or write to the Credit Union as soon as possible. For telephone numbers, hours, and address, see the "Contact Us" on page 3 of this document.

You should tell the Credit Union AT ONCE if your statement shows transfers that you did not make. If you do not tell us within 60 days after the statement was sent 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 hospital stay) kept you from telling us, we may extend the time periods.

### **CREDIT UNION'S BUSINESS DAYS**

The Credit Union's business days are Monday through Friday, excluding Credit Union holidays.

### **MINIMUM BALANCE REQUIREMENTS**

There are no minimum balance requirements imposed on any Account for the right to make electronic funds transfers.

### **FEES**

Fees that the Credit Union imposes for electronic funds transfers, or for the right to make electronic funds transfers, are itemized on the Credit Union's Schedule of Fees. To obtain a copy of the Schedule, contact the Credit Union by any of the methods listed in the "Contact Us" on page 3 of this document.

### **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTY**

We will not disclose any information about your Accounts to third parties except:

1. Where the other person is a party to the transfer or it is necessary for completing the transfer.
2. Where the other person is authorized by law to have access to our records in the course of their

official duties.

3. To verify the existence and condition of your Account for a third party, such as a credit bureau or merchant.
  4. To comply with a court order or lawful subpoena.
  5. To an auditor, attorney, or collection agent for the Credit Union.
  6. To a credit union service provider for the purpose of servicing your Account.
  7. If you give us your written permission (provided that such permission shall expire after 45 days).
- If any other disclosure is made, we must inform you within 3 days after we discover that it has occurred.

## RECEIPTS AND STATEMENTS

**Terminal transfers.** You will receive a receipt each time you perform an electronic funds transfer at an electronic terminal (such as an ATM or POS terminal). However, you may not get a receipt if the amount of the transfer is \$15 or less.

**Periodic Statements –** You will get a monthly account statement from us for your checking account. If you only have a statement share, individual retirement account (IRA), certificate of deposit (CD) and/or money market account(s), you will get a monthly account statement (unless there are no transfers in a particular month, then you will get the statement at least quarterly).

**Preauthorized Credits -** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money, or you can call us at (781) 455-6500 or 888.2DIRECT to find out whether or not the deposit has been made.

You may elect to discontinue receiving paper statements and view your statements online. You do not forfeit any rights by electing to receive e-statements. All information that is included on paper statements is also included in an e-statement. You may also elect to discontinue receiving e- statements and resume receiving paper statements at any time.

## DOCUMENTATION

Any documentation provided to you that indicates that an electronic funds transfer was made shall be admissible evidence of such transfer and shall constitute prima-facie proof that such transfer was made.

## STOP PAYMENT ORDERS

Your initiation of certain electronic funds transfers from your Account will, except as otherwise provided in the Direct Debit Card, Preauthorized Electronic Funds Transfer and Direct.com Web Banking Agreements, effectively eliminate your ability to stop payment of the transfer.

UNLESS OTHERWISE PROVIDED IN THESE AGREEMENTS, YOU MAY NOT STOP PAYMENT OF ELECTRONIC FUNDS TRANSFERS; THEREFORE, YOU SHOULD NOT EMPLOY ELECTRONIC ACCESS FOR PURCHASES OR SERVICES UNLESS YOU ARE SATISFIED THAT YOU WILL NOT NEED TO STOP PAYMENT.

## TERMINATION OF ELECTRONIC FUNDS TRANSFER SERVICES

The Credit Union may terminate any or all of its electronic funds transfer services or revoke your Card at any time, by sending written notice to you. You may terminate any electronic funds transfer service by sending the Credit Union written notice of termination and, if you are terminating the Direct Debit Card Agreement, by cutting your Card in half and returning the pieces to the Credit Union.

Whether you terminate a service or we do, the termination will not affect your existing obligations, even if we allow any transaction to be completed after the service has been terminated.

## In Case of Errors or Questions About Your Electronic Transfers

Telephone us at 781.455.6500 or 888.2DIRECT between the hours of 8:00 A.M. and 5:00 P.M. Monday through Friday, and Saturdays 8:00 A.M. to 1:00 P.M., excluding Credit Union holidays, or write to us at:

Member Services Department  
Direct Federal Credit Union 50  
Cabot Street  
P.O. Box 9123  
Needham, MA 02494-9123

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. The Credit Union must hear from you no later than 60 days after it sent you the FIRST statement on which the problem or error appeared.

- 1 Tell the Credit Union your name and Account Number.
- 2 Describe the error or the transfer you think is incorrect and explain as clearly as you can why you believe it is an error or why you need more information.
- 3 Tell the Credit Union the dollar amount of the suspected error.

If you notify the Credit Union orally, the Credit Union has the right to require you to send your complaint or question in writing within 10 business days following the date you notified the Credit Union.

The Credit Union will determine whether an error occurred within 10 business days following the date you notified it. The Credit Union will correct any error promptly. If the Credit Union needs more time, however, it may take up to 45 calendar days to investigate your complaint or question following the date you notified it. If the Credit Union decides to use more time to investigate, it will re-credit your Account within 10 business days following the date you notified it, for the amount you think is in error, so that you will have the use of the money during the time it takes to complete the investigation. If the Credit Union asks you to put your complaint in writing and does not receive it within 10 business days following your oral notification, the Credit Union may not re-credit your Account.

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

The Credit Union will tell you the results of its investigation within 3 business days after it finishes the investigation. If the Credit Union decides that there was no error, it will send you a written explanation. You may ask for copies of the documents the Credit Union used on its investigation.

## Privacy Policy

### FACTS

WHAT DOES THE DIRECT FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security Number, Date of Birth and Employment Information
- Payment History and Account Balances
- Credit History and Transaction History

When you are no longer a member, we continue to share your information as described in this notice.

#### How?

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Direct Federal chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Direct Federal Credit Union share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your Account(s), respond to court orders and legal investigations, or report to credit bureau	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions?	Call 800.676.0001 or go to <a href="http://www.direct.com">www.direct.com</a>
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What we do	
How does Direct Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Direct Federal Credit Union collect my information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• Open an Account or Apply for a loan</li> <li>• Use your Credit or Debit Card</li> <li>• Make deposits or withdrawals from your Account</li> <li>• Give us your contact information</li> </ul> <p>We also collect your personal information from other companies, such as credit bureaus.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under State law.</p>

Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• Direct Federal has no affiliates.</li> </ul>
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• Direct Federal does not share with non-affiliates so they can market to you.</li> </ul>
Joint Marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include insurance companies.</i></li> </ul>

Other Important Information
Direct Federal Credit Union complies with Massachusetts Privacy Law 201 CMR 17.00: Standards For The Protection Of Personal Information Of Residents Of The Commonwealth Privacy Policy.

## Schedule of Fees Effective January 1, 2026

### Basic Checking Account Fees

**Monthly Maintenance Fee:**.....\$10.00  
*Maintenance fee is automatically waived for the first 3 months for new checking accounts.*

**ATM, POS, Debit Card Transaction and Inquiry Fees (each):**

ATM transactions from savings or checking.....\$2.00\*  
 POS, Debit Card (each):.....\$0.00

*\*The ATM owner may also assess a surcharge fee.*

*All transactions at SUM or CO-OP locations are surcharge-free.*

**Check Orders:** Cost depends on style and quantity selected.

**Courtesy Pay & Courtesy Pay Plus:**.....\$30.00

### Hub Checking Account Fees & Direct Advantage Account Fees

**Monthly Maintenance Fee:**.....\$0.00

**ATM, POS, Debit Card Transaction and Inquiry Fees (each):**

ATM transactions from checking or savings.....\$0.00\*  
 POS, Debit Card:.....\$0.00

*\*Direct Federal will not charge an ATM transaction fee. The ATM owner may assess a surcharge fee for which the credit union will reimburse you at the end of each month. All transactions at SUM or CO-OP locations are surcharge-free.*

**Check Orders:** Free for standard wallet style checks. Fee for others depends on style and quantity selected.

**Courtesy Pay & Courtesy Pay Plus:**

Transactions of less than \$30.00.....\$10.00  
 Transactions equal to or greater than \$30.00.....\$30.00

### Other Service Charges and Fees

**Bill Payment:**.....Free

**Internet and Mobile Banking:**.....Free

**No Checking ATM Savings Transaction and Inquiry Fees (each):**.....\$2.00\*

*\*The ATM owner may also assess a surcharge fee.*

*All transactions at SUM or CO-OP locations are surcharge-free.*

**Official Checks (Payable to third parties):**.....\$3.00

**Stop Payment:**.....\$30.00(a)

For each stop payment order on a Checking, Money Market, Home Equity Account or on a credit union official check.

*(a) Stop Payment and Official Checks (payable to third parties) fees are Free to Hub and Direct Advantage Account members*

*\*see specific account disclosures for details*

**Non-Sufficient Funds Fee:**.....\$30.00

Per check, ATM, POS, Debit, Bill Pay or ACH item

**Automatic Transfers**

**(each):**.....\$10.00

To cover overdrafts or negative balances

**Inactive Account Fee:**.....\$5.00

Per Share Account per month when:

1. There is no activity in the account for 12 months, and
2. The account balance is less than \$50.00, and
3. There has been no activity in other deposit or loan accounts for 12 months.

**Return Deposited Item:**.....\$10.00

**Outgoing Wire Transfers:**

Domestic:.....\$20.00  
 International:.....\$40.00

**Incoming Wire Transfers:**.....\$10.00

**Check Copy (each):**.....\$3.00

On Direct.com.....Free

**Statement copy (each):**.....\$3.00

On Direct.com.....Free

**Returned Mail Processing:**.....\$5.00

To change an incorrect address when mail is returned.

**IRA Account Trustee Transfer:**.....\$25.00

**Levy Summons:**.....\$30.00

**Escheat Filing:**.....\$50.00

**Mortgage Payoff Letter:**.....\$20.00

**Account Research/Reconciliation(per hour):**.....\$20.00

**Subordination Request:**.....\$150.00

**Duplicate Discharge Fee:**.....\$50.00

**Loan Payment By Phone:**.....\$25.00

**Express Pay ACH/Debit:**.....\$10.00

**ATM and Debit Card Replacement Fee:**.....\$10.00

(plus postage)