

ONLINE BANKING DISCLOSURE & AGREEMENT

INTRODUCTION

Online Banking is a service provided to our Members. This Disclosure & Agreement (Agreement) for accessing your SchoolsFirst FCU accounts via Online Banking is provided for your information. Please read it carefully as it pertains to your accounts and electronic services. For the purpose of this Agreement, the terms "we," "us," "our," "SchoolsFirst FCU," and "credit union" refer to SchoolsFirst Federal Credit Union. "You" and "your" refers to the Member or account holder identified on the account records with us.

By accessing your SchoolsFirst FCU account(s) through Online Banking, you are confirming your agreement to abide by the terms and conditions of this Agreement and acknowledge your receipt and understanding of this disclosure. We may change terms or amend this Agreement from time to time without notice or as otherwise provided by law. Online Banking services can be used to access certain SchoolsFirst FCU accounts. Each of your accounts at SchoolsFirst FCU is also governed by the applicable account disclosure (your Statement of Fees and Disclosure & Agreement of Terms and Conditions, prior receipt of which you acknowledge).

This Agreement will be governed by and interpreted in accordance with federal law and regulation, and to the extent that there is no applicable federal law or regulation, by the laws of the State of California. To the extent permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union's headquarters office is located.

KEEPING YOUR ACCOUNT CONFIDENTIAL

A. Online Banking Password Protection

For your protection, we recommend that you frequently change your password used to access Online Banking services. (You can change your password by editing your profile.) You agree to hold your password in strict confidence and you will notify us immediately if your password is lost or stolen. As a precaution, it is recommended that you memorize your password and do not write it down. You are responsible for keeping your password and account information confidential. If you provide your password to another individual, or if you cause your password to be compromised by your negligent action, you are liable for any resultant fraud or loss on your Membership.

Any person whom you permit to use your password will have access to your entire account, including the ability to transfer funds from your savings, checking, money market and loan accounts, complete balance transfers, transfer funds to another financial institution, and authorize bill payments. We refer to such person as an authorized user and you agree that an authorized user may transfer funds from your savings, checking, money market and loan accounts, and authorize bill payments.

B. Personal Information Protection

In addition to protecting your password and account information, you should also protect your personal identification information, such as your driver's license, Social Security Number, etc. This information, alone or together with information on your account, may allow unauthorized access to your account. It is your responsibility to protect your personal information with the same level of care that you protect your account information. Additionally, maintaining the security of any devices you use to access online banking is your responsibility. If a device that you use to access online banking becomes compromised, it is your responsibility to notify the credit union as soon as possible so that we can assist in taking steps to protect the security of your account.

C. Examine Your Statement

You must promptly review your statement upon receipt. See In Case of Errors or Questions About Your Electronic Transfers.

D. Privacy

Protecting your privacy is of great importance to your credit union. That's why we have always maintained a strict confidentiality policy to protect not only your financial assets, but your personal information as well. Please see our online Privacy Policy.

HOW TO REACH US

A. Business Days

Our business days and hours are Monday through Thursday from 9 a.m. to 5 p.m. PST, and Friday until 6 p.m. PST, excluding federal holidays. You can contact us by visiting one of our branch offices during normal business hours or by calling 714.258.4000 or 800.462.8328. Our Member Contact Center representatives are available Monday through Friday, 7 a.m. to 7 p.m. PST, and Saturdays, 9 a.m. to 3 p.m., excluding holidays. Calling us is the best way to report any problems or to get questions answered. If you cannot call us or come in person, you can write to us at: SchoolsFirst FCU, P.O. Box 11547, Santa Ana, CA 92711-1547.

B. Email and Secure Messaging

Sending email through our Web site is one way to communicate with us. We have provided email links for you to ask questions or give comments regarding our Web site or Online Banking service. Please note that email is not initiated from a secure session. To ensure the security of your account information, you cannot use email to initiate transactions on your account(s).

You may send messages to us through our online banking secure messaging feature. This feature is available within our secure Online Banking system, so you can send account-specific inquiries to us using this feature.

For immediate assistance, we recommend that you contact us by telephone to report any problems or ask questions about your account.

For account transactions, please log in with your password to a secured Online Banking session, or call our Member Contact Center at 714.258.4000 or 800.462.8328 Monday through Friday, from 7 a.m. to 7 p.m. PST, excluding holidays.

ELECTRONIC FUNDS TRANSFERS

A. Business Days

For purposes of these Electronic Funds Transfer disclosures, our business days are Monday through Friday, excluding federal holidays.

B. Account Access

Online Banking is a service provided to our Members. By using Online Banking with your password, you can:

- Make inquiries
- Check account balances
- Transfer funds between your savings, checking, money market, and loan accounts, including accounts you are joint on
- Transfer funds between your credit union checking account and your savings or checking account at another financial institution (limitations may apply)
- Make loan and credit card payments
- Access your current or past monthly statements
- Download account history into personal financial management software, such as Quicken and Microsoft Money

Services available may be added or canceled at any time. We shall update this Agreement to notify you of the existence of these new services. By using these services when they become available, you agree to be bound by the rules contained in this Agreement.

You can use Online Banking seven days a week, 24 hours a day. However, from time to time, some or all of our Online Banking services may not be available due to system maintenance. During such times, you may use TellerPhone (our 24-hour telephone transaction service), call us, or visit one of our branches. (See How to Reach Us for business hours and contact information.)

C. Limitations on Funds Transfers from Summer Saver and Liquid Advantage Money Market Accounts

Pursuant to federal regulations, you are limited as to the number of certain transactions you can make on your Summer Saver and Liquid Advantage Money Market shares. You are allowed a

combined maximum of six online transfers, telephone transfers, preauthorized transfers, and checks clearing each month.

Online transfers are transfers from savings shares to other SchoolsFirst FCU shares initiated through Online Banking. Telephone transfers are transfers from savings shares to other SchoolsFirst FCU shares initiated by a personal telephone call or by using TellerPhone. Preauthorized transfers are transfers made according to a specific agreement between a Member and us or another party. (Examples of preauthorized transfers are automatic overdraft transfers from savings shares to other SchoolsFirst FCU shares, or regular electronic payments from savings made to a third party, such as health clubs, insurance companies, etc.) Check access refers to any checks you write on your Liquid Advantage Money Market share account.

D. Confidentiality

We will disclose information to third parties about your account or the transfers you make only when one of the following conditions exists:

- when necessary to complete a transaction requested by you
- in order to verify the existence and status of your account(s), such as for a retail merchant or credit reporting agency
- in order to comply with government agencies or court orders
- if you give us written permission

E. Documentation

You will receive periodic account statements. You may elect to receive your statements electronically through our eStatements service. With eStatements, your account statements will be available for you to view and print within our Online Banking system. We will send you an email message to notify you when your statements are available. For more information about eStatements, go to your Profile Information and click "Edit" next to the "Statement Preferences" option.

If you have arranged to have direct deposits made to your account, you can review your account history using Online Banking or call us at 714.258.4000 or 800.462.8328 to find out whether or not the deposit has been made.

F. Preauthorized Payments

Right to Stop Payment and Procedure for Doing So: If you have told us in advance to make regular payments (preauthorized payments) out of your account, you can stop any of these payments. Here's how:

Call us at 714.258.4000 or 800.462.8328, or write us at P.O. Box 11547, Santa Ana, CA, 92711-1547, in time for us to receive your request three business days or more before the payment is scheduled

to be made. If you call, we may also require you to put your request in writing and send it to us within 14 days after your call. (See your Statement of Fees and Disclosures & Agreement of Terms and Conditions, prior receipt of which you acknowledge, for stop payment charge.) You may not stop payment on a Debit Mastercard® card transaction.

If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Notice of Varying Amounts: If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be and how much it will be.

If you create a Transfer to an Outside Institution through Online Banking, you can also cancel the payment through Online Banking.

G. Liability for Failure to Make Transfer

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your related losses or damages. However, there are some exceptions. We will NOT be liable:

- if, through no fault of ours, you do not have enough money in your account to make the transfer
- if the transfer would go over the credit limit on your Overdraft Protection Loan
- if the Automated Teller Machine where you are making the transfer does not have enough cash
- if the terminal was not working properly and you knew about the breakdown when you started the transfer
- if circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken
- there may be other exceptions stated in our agreement with you

H. In Case of Errors or Questions About Your Electronic Funds Transfers

Telephone us at 714.258.4000 or 800.462.8328, or write to us at the address shown in Contact Us as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transaction listed on your statement or transaction receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

In order to help you with your questions, we will need the following information:

- your name, account number, and transaction date in question
- the error or transfer you are unsure about, and why you believe there is an error or why you need more information
- the dollar amount of the suspect transaction

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 calendar days (90 calendar days if the transfer involved a new account, a point-of-sale transaction, or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. An account is considered a new account for 30 days after the first deposit is made.

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

I. Lost or Stolen Password

If you believe your password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, telephone us at 714.258.4000 or 800.462.8328, or write to us at the address shown in Contact Us as soon as you can.

J. Liability for Unauthorized Use—Online Banking Transactions

If you believe that your password has been lost, stolen, or discovered by an unauthorized person and you tell us within two business days of your discovery, you can lose no more than \$50 if someone used your password without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of your access code, and we can prove that we could have stopped someone from using your password without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after 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 will extend the time periods.

If you authorize someone else to use your password, you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction or number of transactions exceeds what you authorized.

MISCELLANEOUS FEES & CHARGES

There are no fees or charges for accessing your account through Online Banking. Other fees, as described in your account disclosures (your Statement of Fees and Disclosure & Agreement of Terms and Conditions, prior receipt of which you acknowledge), may apply to services you order online. Please see our Statement of Fees for a current list of account fees.

Please note that fees may be assessed and billed separately by your online service provider.

OTHER GENERAL TERMS

Other Agreement: In addition to this Agreement, you agree to be bound by and will comply with all terms and conditions applicable to your Online Banking account, as described in your Statement of Fees and Disclosure & Agreement of Terms and Conditions, prior receipt of which you acknowledge.

Severability: In the event that any portion of this Agreement is held by a court to be invalid or unenforceable for any reason, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

Right to Terminate: SchoolsFirst FCU reserves the right to terminate this Agreement and your Online Banking access, in whole or in part, at any time.

OUR LIABILITY

Except as specifically provided in this Agreement or where the law requires a different standard, you agree that neither we nor the service providers shall be responsible for any loss, property damage or bodily injury, whether caused by the equipment, software, SchoolsFirst FCU, OR by internet browser providers such as Microsoft (Microsoft Explorer browser), or Mozilla (Mozilla Firefox browser), etc., OR by internet access providers OR by online service providers OR by an agent or subcontractor of any of the foregoing. Nor shall we or the service providers be responsible for any direct, indirect, special, or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, Online Banking services, or internet browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via Online Banking, and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security.

We invite you to print a copy of this Online Banking Disclosure and Agreement and retain it for your records. You may also request a copy of this Agreement be mailed to you. To do so, email us at info@SchoolsFirstfcu.org or call us at 714.258.4000 or 800.462.8328.