

Important Disclosure Statements for Bowater Credit Union Share Draft Account • myBRANCH • 24-hour Cash Center ATM Card • Visa CheckCard • Personal Account Line • Pre-authorized Electronic Transactions • Courtesy Pay

Please retain this form with your important records as it contains very pertinent information regarding your Credit Union Accounts.

Revised 1/2016

Debit Card Terms and Conditions

The use of the Debit Card (herein called "card") issued by Bowater Employees Credit Union (herein called "Credit Union") is issued to the owner(s) (herein called "cardholder(s)") of accounts for use with such account(s) as described in the card application form subject to the following terms and conditions.

1. The card issued by the Credit Union is the sole property of the Credit Union, which may retrieve, limit or issue a new card at any time without prior notice to the cardholder. The card may be captured automatically at an ATM at any time. Upon request, the cardholder will cease to use the card and return it to the Credit Union immediately.
2. The Credit Union will determine the means and conditions under which a card may be issued or retained and the type transaction which may be made. The Credit Union reserves the right to establish and maintain service charges and/or transaction fees and may change such fees and charges from time to time. The Credit Union will make every possible attempt to notify the cardholder in writing in advance of any changes in the terms and conditions pertaining to the use of the card or the establishment of new ones thereof.
3. The first named person on an account is the Primary Owner. Only the Primary Owner may authorize a Joint Owner to access his/her account(s).
4. The cardholder is responsible for the use of the card and to maintain the Personal Identification Number (PIN) with maximum security. Cardholder agrees to take all reasonable steps to locate, apprehend, and prosecute unauthorized user(s) of the card and to assist the Credit Union, where lawful, in these efforts.
5. Each cardholder, by acceptance and/or use of the card authorizes the Credit Union to pay, from any account he/she may have with the Credit Union, any amount necessary to satisfy any transaction, fee, or service charge which results from the use of this card.
6. Card transactions are governed by these Terms and Conditions and any other terms that apply to any account affected by such transactions, including agreements, charter, bylaws, rules and regulations, in addition to any applicable laws. Any Credit Union business transacted by use of the card is not finalized as it pertains to any account(s) until the Credit Union has verified and processed the transaction on its records according to its usual procedures, regardless of any receipt produced from the ATM at the time of the transaction.
7. The Credit Union is authorized to treat any transaction made by the cardholder to be the same as if cardholder(s) signature(s) was affixed to said transaction document. Difficulties or complaints should be reported by the cardholder(s) directly to the Credit Union.

8. Expenses incurred by the Credit Union to research a disputed transaction(s) will be paid by the cardholder when such transaction(s) is proven to have been made by an authorized user. Cardholder agrees to pay all expenses he may incur in the apprehension and prosecution of any unauthorized user(s).

9. The Credit Union will not be responsible for the condition of any ATM it does not own, nor will it be liable for any failure or malfunction of the equipment or system except as specifically provided by law. Cardholder will examine his/her periodic statements from the Credit Union and promptly and report any errors or unauthorized transactions. Cardholder liability for unauthorized transactions is limited as provided by law. The rules for unauthorized transfers and error resolution are contained in the disclosure statement which is given upon receipt of the card.

10. Cardholder may cancel his agreement with the Credit Union at any time by notifying the Credit Union in writing and returning the card cut in half. In that event, all rights and obligations for any transaction occurring before the Credit Union receives notice of this cancellation shall be determined by this agreement.

11. The Credit Union reserves the right to make additions or deletions to these terms and conditions from time to time.

12. All Debit Transactions. The total amount of purchases and cash advances you may make using your Debit card is limited to the lesser of the available balance in your checking account, or \$1,000 per day for point of sale transactions and \$1,000 per day for cardholder not present transactions and \$500 per day at ATMs, unless you request and are approved a higher limit by us. You may not use the card for any illegal or unlawful transactions, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

Other Terms and Conditions

The member must be 13 years of age. Members under 18 must have an approved adult joint owner sign the card application where indicated. The member must have a share draft account with the Credit Union. The number of tries to enter the PIN will be limited to three (3). On the fourth try the card will be captured.

Federal Electronic Fund Transfer Act Disclosure Statement

If you believe your card or personal identification number (PIN) has been stolen, and you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card or PIN without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your card or PIN, and we can prove we could have stopped someone from using your card or PIN without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe your card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at: (423) 336-7268, Bowater Employees Credit Union, P.O. Box 359,

Calhoun, TN 37309. Our business days are Monday through Friday. Holidays are not included.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS: Telephone us at (423) 336-7268. Or write us at Bowater Employees Credit Union, P.O. Box 359, Calhoun, TN 37309, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. When contacting us, be prepared to:

1. Tell us your name and account number.
2. Describe the error or the transfer you are not sure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. 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 re-credit your account.

We will tell you the results of our investigation within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will recredit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we decide there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

Account Access

You may use your card and PIN to:

1. Withdraw cash from your share draft or share account as designated or line of credit as designated (if applicable).
2. Make deposits to your share draft or share account as designated whenever you request (if applicable).
3. Transfer funds between your share and share draft account as designated whenever you request (if applicable).
4. Some of these services may not be available at all terminals.
5. Deposits by cash or check may be made only at a Bowater Employees Credit Union ATM.
6. Make purchases at places that have agreed to accept the card.

Each day you may withdraw up to the number of withdrawals listed on this form. However, some of the terminals may limit the number of withdrawals you may make at that terminal in a single day, whether or not you have withdrawn your maximum dollar amount. You will get a receipt at the time you make any transfer to or from your account using one of the automated teller machines. You will receive a monthly statement of the transactions on your accounts.

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 losses or damages. However, there are some exceptions. We will not be liable, for instance:

o If through no fault of ours, you do not have enough money in your account to make the transfer.

o If the transfer would go over the credit limit on your line of credit.

o If the automated teller machine where you are making the transfer does not have enough cash.

o If the system was not working properly and you knew about the breakdown when you started the transfer.

o If circumstances beyond our control (such as fire, flood or communications failure) prevent the transfer, despite reasonable precautions that we have taken.

o There may be other exceptions stated in our Agreement with you.

Confidentiality

We will disclose information to third parties about your account or the transfers you make:

1. Where it is necessary for completing transfers.

2. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant.

3. In order to comply with government agencies or court orders.

4. If you give us written permission.

Your rights to stop pre-authorized payments

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

1. Call us at (423) 336-7268, or write us at P.O. Box 359, Calhoun TN 37309, 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 get it to us within 14 days after you call. (We will charge you \$10.00 for each stop-payment order you give.)

2. 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 made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

3. Liability for failure to stop payment of preauthorized transfer. 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.

Share Draft Agreement

I/we hereby authorize Bowater Employees Credit Union (the Credit Union) to establish a special savings account for me/us to be known as a Share Draft account. I/we hereby agree to maintain on deposit sufficient funds to pay upon presentation all share drafts issued by me/us. The Credit Union is hereby authorized to pay share drafts signed by me/us and to charge the payments against the Share Draft Account.

It is agreed that:

1. Where the term Member appears it shall be construed to include and refer to all Members and joint owners/additional authorized signatory whose signature(s) appear on this Agreement;

2. Only Share Draft blanks and other methods approved by the Credit Union may be used to withdraw funds from this account;

3. Unless otherwise agreed the Credit Union is under no obligation to pay a Share Draft which exceeds the balance in the Share Draft account plus the amount available to the drawer as an LOC loan, or a draft on which the sale is more than six (6) months old;

4. The Credit Union's refusal to pay a draft shall not be deemed wrongful if refused pursuant to stop payment order issued by the Credit Union acting as attorney-in-fact for the Member as herein authorized. The Credit Union shall have no liability to a Member if it in good faith and pursuant to the exercise of ordinary care issued a stop payment order for a Member as the Member's attorney-in-fact and pursuant to the power herein given said Credit Union to act as such attorney in fact;

5. Except for negligence the Credit Union is not liable for any action it takes regarding the payment or non-payment of a Share Draft;

6. All non-cash payments received for deposit in the Share Draft account will be credited subject to final payment;

7. The Share Draft account shall be subject to service charges and/or interest payments in accordance with the rate schedules adopted by the Credit Union from time to time;

8. The Credit Union is hereby authorized to transfer into said Share Draft account sufficient funds from Member's share accounts or any other deposit, loan or line of credit account existing with the Credit Union for said Member's benefit to pay the purchase price of Share Drafts presented to the Credit Union for acceptance. Deposits applied to pay overdrafts can include deposited benefit payments, such as Social Security checks and Supplementary Security Income. Overdraws shall be paid on demand by the Credit Union unless a transfer is made from another account of the Member to cover such overdraw.

9. The Member does hereby constitute and appoint the Credit Union as its attorney-in-fact to order payment stopped of any Share Draft issued by such Member, if at the time of presentation to the Credit Union of any Share Draft the Member has insufficient funds or credit in the Share Draft Account hereunder established to pay the purchase price of said Share Drafts for the Member, or if said account has been closed. Said power of attorney is irrevocable so long as the Share Draft Account is open and shall not expire after six (6) months nor shall it expire after any other period of time notwithstanding the absence of any renewal. Any attempted revocation of such power of attorney shall be void but shall result in the immediate cancellation and closing of the Member's Share Draft Account and shall be deemed an order to stop payment on all further Share Drafts issued by such Member against said Credit Union. The power of attorney herein given shall not be affected by any disability of the Member;

10. The Member agrees to pay charges as established by the Board of Directors from time to time for microfilm copies when requested by the Member; charges for stop payment orders placed on the Member's account by said Member or attorney-in-fact, and charges for returned drafts returned by the Credit Union for reasons of stop payment insufficient funds or any other reasons not here designated;

11. The Credit Union reserves the right to modify any or all charges

herein presented subject to the approval of the Board of Directors.

12. The use of the Share Draft Account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time;

13. Member hereby agrees jointly and severally, to indemnify and hold Credit Union harmless from and against any and all claims and suits whether groundless or otherwise, and from and against any and all liabilities, losses, damages, expenses and costs resulting from the nonpayment of any share drafts or other instrument on which Member orders payment stopped;

14. You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

myBRANCH Electronic Account Access

You can access your accounts via personal computer with myBRANCH. Upon approval of your application, a User ID and Personal Identification Number (PIN) will be assigned to you. You must use your User ID and PIN to access your accounts. Your PIN should be kept confidential; you must notify the Credit Union immediately if your PIN is compromised. Any transactions made with this PIN will be deemed authorized by you, including transfers to another member's account. In the case of transfers to another member's account, the Credit Union is not responsible if you enter an incorrect account number, and funds are not be retrievable. Bowater Employees Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, or lower an account below a required balance. We may refuse to honor any transaction for which you do not have sufficient available verified funds. Your access may be discontinued at any time at the credit union's discretion. After approval of the initial myBRANCH application, you may add or remove additional accounts by contacting the Credit Union in writing, over the phone, or through myBRANCH's secure email.

Courtesy Pay

Any member with a share draft account who is in good standing and who has been a member for more than 3 months will automatically receive Courtesy Pay service on Share Draft and ACH transactions. Members may choose to have Courtesy Pay service on ATM and debit card transactions. Courtesy Pay allows the Share Draft account to have a negative balance, up to a pre-defined limit. This limit includes overdrafts and fees. The fee for each item honored with Courtesy Pay service shall be equal to the NSF fee. The Credit Union may discontinue Courtesy Pay service for any member at any time without notice. The Member may opt out of Courtesy Pay service at any time with notification to the Credit Union.