

DISCLOSURE FOR ELECTRONIC FUND TRANSACTIONS (EFT)

Jafari No-Interest Credit Union offers various Electronic Fund Transfer services to our members. You may also be authorized access to your account(s) through our Online Banking system.

In this disclosure, "you" and "your" include the plural in cases where two or more persons have an interest in a single account affected by an "electronic fund transfers" service. "We" or "us" refer to Jafari No-Interest Credit Union.

Although your account(s) may be subject to "electronic fund transfers", and in that regard are subject to the terms and conditions of this disclosure, you may continue to use those account(s) to the same extent and in the same manner that you have in the past, in so far as "over-the-counter" and other non-electronic transactions are concerned.

This disclosure is furnished to you as a Member of Jafari No-Interest Credit Union. It meets the requirements of both the federal and Texas statutes relating to "electronic fund transfers". It also meets the requirements of the regulation (Reg. E) issued by the Federal Reserve Board pursuant to the federal statute. This disclosure is also a contract. The terms and conditions set out here are binding on you and on us as to the making of such "electronic fund transfers" or any other electronic fund transfers, in the following cases:

- If you use the account(s) covered by this disclosure after receipt of this agreement.
- If you already have an Online Banking system access and use secure login information provided by us and you use them to make such inquiry after receipt of this agreement.
- If you receive access to pay for purchases or pay bills with a check or draft, for any transactions.
- If you authorize the payee of any share draft or e-Check to be processed electronically.
- In any such cases, your use of the account(s) or your making of such transactions constitutes your acceptance of the terms and conditions set out in this disclosure.

THE FOLLOWING SECTIONS RELATE TO ALL "ELECTRONIC FUND TRANSFERS" (EFTS) AFFECTING YOUR ACCOUNT(S)

1. **Accounts Affected.** Your share account (Savings) and/or share draft account (Checking) at this Credit Union can be subject to some kind of "electronic fund transfer" service. The affected accounts are sometimes referred to in this disclosure as "asset account(s)," "designated accounts" or simply as your "account(s)".

You may notify us if you do not want your accounts to be subject to any particular type of "electronic transfer" service, and you may change those instructions in the future. We will, in all cases, follow your instructions to the extent our "electronic funds transfers" programs permit at that time.

2. **Account Agreements.** The terms and conditions of the account agreements relating to your accounts with us remain in effect except to the extent modified by this disclosure.
3. **Minimum Balance.** You must always maintain any minimum balance requirements to be entitled to make "electronic fund transfers" or e-Check(s) affecting your account(s). Electronic services may not be issued to members whose loan payments to us are more than 30 days delinquent. We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you advance written notice.
4. **EFT Services:**

a. Preauthorized EFTs

1. **Direct Deposit.** Upon instruction of (1) your employer, (2) the Treasury Department or (3) other financial institution, the Credit Union will accept direct deposits of your paycheck or federal recurring payments, such as Social Security, to your share and/or share draft account.
 2. **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your share and share draft account not exceeding \$5,000.00 per day and not more than \$10,000.00 per week and no single withdrawal may exceed \$5,000.00.
5. **Preauthorized Payments & Stop Payments.** Your rights to stop payment and procedure for doing so. 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 (713) 331-1072, or write us at **Jafari No-Interest Credit Union, 2323 S Voss Road, Ste 308, Houston, TX 77057**, in time for us to receive your request 3 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. An oral stop-payment order ceases to be binding after 14 days if the consumer fails to provide the required written confirmation. The Credit Union is required to continue to honor the stop-payment order (for example, by suspending all subsequent payments to the payee-originator until the consumer notifies us that payments should resume). The stop payment order may apply to a single transaction or multiple transactions, and it is your obligation to identify which transactions you intend the stop payment to apply.
 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 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Fees: We will charge you a fee for each stop-payment order you give us. Please see our Fee Schedule for a list of fees.

6. **(e-Check) Conversion Transactions.** This is a transfer through an automated clearing house when you provide a share draft to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the share draft is blank, partially completed, or fully completed and signed; whether the share draft is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an electronic fund transfer, or whether the share draft is retained by the consumer, the merchant or other payee, or the payee's financial institution. Your authorization to make such types of electronic funds transfers may be expressed in writing or implied, for example, by the posting of a sign. You may authorize a merchant or other payee to make a one-time electronic payment from your share draft account using information from your check to:
 1. Pay for purchases.
 2. Pay bills.

You acknowledge that with this service, the check number is removed from circulation and, neither you nor we may examine the check for its signature and you waive any requirement to examine the check for a signature for multiple signatures.

Fees. You may be charged separate fees from the merchant or third-party to whom you submit your authorization; You may also be charged by those third-parties for returned check fees on the same account. If you complete the transaction after being told orally or by a posted notice or by notice sent to you, you are considered to have authorized the electronic fund transfer and associated fees. Any of our applicable fees for use of this type of transfer disclosed in the separate Jafari No-Interest Credit Union fee schedule.

7. **Online Home Banking Transactions.**

If we approve the Online Banking service for your account, you will be required to use our secure login. You must use your login information to access your account(s). At the present time, you may use the Online Banking service to:

- Obtain balance information for your share and share draft account(s);
- View transaction history.

Online Banking Transaction Restrictions:

- You are not able to do transactions at time through Online Banking;

The **Online Home Banking** service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing.

Fees for Online Banking. We do not charge a fee for preauthorized payments from any type of account and we do not charge a fee for any deposits to any type of account. Any applicable fees for use of this account are disclosed on the Jafari No-Interest Credit Union fee schedule.

e. Mobile Banking.

If we approve the Mobile Banking service for your account, with Jafari No-Interest Credit Union's mobile banking app, you can access your accounts with our secure login.

- Obtain balance information for your share and share draft account(s);
- View transaction history.

Mobile Banking Transaction Restrictions:

- You are not able to do transactions at time through Online Banking;

We may refuse to honor any transaction for which you do not have sufficient available verified funds or, the transaction exceed the credit limit.. The service will discontinue if no electronic service is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The **Mobile Banking** service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. If transfers become allowed, no transfer or withdrawal may exceed the fund available in your account.

8. **Excluded Transactions.** We have developed an elaborate electronic data processing system which makes it possible to offer you many electronic services. However, some of these services do not constitute "electronic fund transfers" for purposes of this disclosure. For example, automatic transfers from your account(s) to pay your loan(s) owed to us and automatic transfers between your own accounts at the Credit Union. The terms and conditions of this disclosure only apply to those services and transfers which are "electronic fund transfers" as described in this disclosure; they do not apply to other transactions which, although electronic in nature, do not constitute "electronic fund transfers" described in that section.
9. **Fees and Charges.** Certain fees and charges apply to electronic transfers. A fee schedule was provided to you at the time you applied for this electronic service. We may amend the fee schedule from time to time and the fees charged to your account will be those fees applicable at the time of any particular transaction. We will notify you of any changes in the fee schedule, as provided by law. You may also ask us for a current fee schedule. We reserve the right to impose fees, and to thereafter increase them, if we deem it necessary. We will give you advance written notice before imposing or increasing any such fees.
10. **Limitations on "Electronic Fund Transfers".** We described the types of electronic funds transfers you can make through our various Electronic Funds Transfer Services. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearing house (ACH). You may make unlimited transfers to any of your accounts or to any Credit Union loan account and may make withdrawals in person, or by mail.
11. **Documentation of Electronic Fund Transfers:**
 - a. **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 and, you can call us at **(713) 331-1072**, or go to our Home Banking/Mobile Money to inquire about your balance for share savings accounts.
 - b. **Passbook account where the only possible electronic fund transfers are preauthorized credits.** If you bring your passbook to us, we will record any electronic deposits that were made to your account since the last time you brought in your passbook.
 - c. Your right to documentation as set forth in subsections A and D of this section does not apply when the electronic funds transfer occurs outside of the United States.
12. **Confidentiality.** We will disclose information to third parties about your account or the transfers you make:
 - a. Where it is necessary for completing transfers; or
 - b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
 - c. In order to comply with government agency or court orders; or
 - d. If you give us your written permission.
13. **Errors or Questions.** In Case of Errors or Questions About Your Electronic Transfers Telephone us at: **Phone: (713) 331-1072** or write us at: **Jafari No-Interest Credit Union, 2323 S Voss Road, Ste 308, Houston, TX 77057** 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.
 - a. Tell us your name and account number (if any).
 - b. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
 - c. 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. We will determine whether an error occurred within 10 business days (5 business days for point-of-sale transactions and 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 days (90 days if the transfer involved a new account, a point-of sale transaction) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days for point-of-sale transactions and 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. For errors involving new accounts, point-of-sale, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) 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.

You may also request copies of documentation used in our investigation by calling us on business days, Monday-Friday (Excluding Federal Holidays) at **(713) 331-1072** or writing us at: **Jafari No-Interest Credit Union, 2323 S Voss Road, Ste 308, Houston, TX 77057**.

14. **Our Liability for Failure to Make "Electronic Fund Transfers".** If we do not complete an "electronic fund transfer" to or from your accounts on time or in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:
 - If, through no fault of ours, you do not have enough money in your account to make the transfer or, pursuant to our Funds Availability Disclosure, there are "uncollected" funds that are not available.
 - If there is not enough money in your account, in excess of amounts you have pledged to us as collateral for a loan to make the transfer.
 - If the telephone, Internet or any other electronic access device was not working properly and you knew about the problem when you started the transaction.
 - If funds in your account are subject to garnishment or other legal process.

- If we have, because of your default on a loan, exercised our rights against the funds in a pledged account.
- If the transfer would take the balance on your overdraft loan (if applicable) over the credit limit.
- If the electronic transfer is not completed as a result of your willful or negligent use of any EFT facility for making such transfers.
- If circumstances beyond our control prevent the transfer (such as fire, flood, or power failure), despite reasonable precautions we have taken.

We will also be excused from such liability if you fail to observe the terms of this agreement, or our account agreements with you, which relate to such "electronic fund transfers". If you have bill payment services, you must contact the intended recipient of the transaction for inquiries other than confirmation of the amount transferred from your account to the merchant, the date of the transfer and the recipient's identity/name. You must also update the access information with the party to who you present it, or it will not be authorized to accept the charge transaction.

15. **Business Days.** Our "business days" are as follows: Our business days are Sunday 10:00 a.m. to 1:00 p.m., excluding holidays. We reserve the right to change our "business days" and hours. You may get more updated information, including lobby hours, from our website at: <http://jafaricu.com/>
16. **Regulatory Agency.** If you believe that we may have violated the federal Electronic Funds Transfers Act or any Texas Electronic Funds Transfer Regulations, you may contact the following regulatory authority:

Credit Union Department, 914 E Anderson Ln, Austin, TX 78752 Phone: (512) 837-9236

17. **Amendments/Termination.** We reserve the right to amend this disclosure (agreement) at any time. If we do so, we will notify you either verbally or by providing written notice thereof as we deem to be reasonable under the circumstances. We also reserve the right to terminate this disclosure (agreement) by sending a notice of such termination by first class mail to your last known address on our records, which notice shall be effective when mailed. We may also program our computer not to accept your access code for any EFT service. You may also terminate this agreement at any time by providing written notice to Jafari No-Interest Credit Union; however, termination of this agreement will not relieve you of your continuing obligations incurred during the term of this agreement. If this Agreement is terminated, you must return all items issued by the Credit Union, including but not limited to codes and access information, which remain the property of the Credit Union.
18. The effective date of this disclosure (agreement) is February 1, 2023.
19. **Access.** All codes and access information remain the property of the Credit Union and may be revoked or cancelled at any time without giving you prior notice. You agree not to use your electronic access for a transaction that would cause your account balance to go below zero. You also agree not to make a Mobile Banking or Online Banking system, electronic fund transfer or e-Check(s) affecting your account(s) that would cause your account balance to go below zero. We will not be required to complete any such transaction, but if we do, you agree to pay us the amount of the improper withdrawal, or transfer, upon request, plus our fee(s) for any such transactions that create an overdrawn account or accounts.
20. **Secrecy of Access.** You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit anyone else to use your access information and your accounts through an electronic transfer service, or give your access information to anyone else, or provide your access information to someone else, you are responsible for any transactions they initiate and authorize for any of your accounts.
21. **Responsibility for Overdraft.** If you create a shortage in your account or if you overdraw an account through use of the Online Home-Banking access service, e-Check(s), or otherwise, the overdrawn amount is due and payable the moment you receive your money, or make the transfer. You agree to pay the full amount of it to us, together with an overdrawn account charge pursuant to the fees applicable for your share draft account per occurrence.

If you have an overdraft line of credit, an advance on your line of credit may be made to cover the overdraft, and you will pay that advance in accordance with the conditions of your line of credit plan, depending upon which form of overdraft protection you have selected. If there are not sufficient funds to make a transfer according to your overdraft line of credit, or if you have no overdraft protection, then such overdraft will be paid to us as provided in the first sentence of this section.

22. **Crediting of Deposits and Payments.** Deposits or payments are subject to verification, and the funds of such deposits and payments to accounts may be held until they can be collected from the machine, verified and entered into our accounting systems. Further delay may occur if the transaction is made on or immediately prior to a Saturday, Sunday or holiday on which we are closed.
23. **Joint Accounts.** If any account accessed under this agreement is a joint account (that is, if two or more people are parties to this account), all of the joint owners are jointly and severally liable to repay the Credit Union the amount of any EFT transaction, including any overdraft and service charges, regardless which of the parties initiated, completed or received the benefit of the transfer. Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from transfers, charges or overdrafts, whether caused by you or another with access to any account affected under this agreement. This liability is due immediately, and can be deducted by the Credit Union directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you individually initiated or authorized the item or transfer or otherwise benefited from the transfer and charge. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.
24. **Foreign Transaction Currency Conversion.** You may not use your electronic services to effect a foreign transaction.
25. **Unlawful Internet Gambling Notice.** Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling. **Advisory Against Illegal Use.** You agree not to use your EFT services for illegal gambling or other illegal purpose.
26. **Governing Law.** This Agreement and Disclosure is governed by the Bylaws of Jafari No-Interest Credit Union, federal laws and regulations, state laws and regulations and local clearinghouse rules, as may be amended from time to time. Any disputes regarding this agreement shall be governed by the laws of the United States and the State of Texas.
27. **Enforcement.** You agree that you will be liable to us for any loss, cost, or other expenses we incur as a result of your failure to comply with the terms and conditions set forth in this Agreement and as we may amend from time to time. You authorize us, without prior notice, to deduct any loss, cost or other expenses, including reasonable attorney's fees that are incurred by us for your failure to comply with the terms of this agreement. You also agree that we may deduct any loss, cost or other expenses, including reasonable attorney's fees that are incurred by us for any action we may take to enforce this Agreement from your accounts with us.
28. **Account Information Disclosure.** We may disclose your account information to third parties to verify and complete the transfers you make as follows: (a) To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant; (b) If your account is eligible for emergency cash and/or emergency replacement services, and (c) you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s); (d) To comply with government agency or court orders; or (e) If you otherwise provide us with your written permission.
29. **Right to Bring Civil Action.** You have a right to bring a civil action against any person violating any provision of the laws governing consumer privacy and unauthorized withdrawals. If you prevail in such an action, you may be entitled to recover punitive damages, court costs and reasonable attorney fees.

30. **Consumer Liability:**

- a. **Consumer Liability.** Tell us AT ONCE if you believe your access information has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check or your Online Banking system has been accessed without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you do NOT tell us within 2 business days after you learn of the loss or theft of your access information, and we can prove we could have stopped someone from using your access information 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, including those made by access information or other means, 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.
- b. **Contact in event of unauthorized transfer.** If you believe your access information has been lost or stolen, or your Online Banking system access to your account has been compromised, call: **(713) 331-1072**. (lost/stolen) or write to: **Jafari No-Interest Credit Union, 2323 S Voss Road, Ste 308, Houston, TX 77057 IMMEDIATELY !!!** You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.
- c. **Authorization.** If you furnish another person with your electronic access information to your Online Banking or your check book, you will be responsible for all "electronic fund transfers" initiated by the person. Your responsibility pertains to transfers from which you may receive no benefit, and applies even though that person may not have actual authority to initiate a transfer or transfers any amount in excess of that which is authorized. Your responsibility for such transfers remains until you have notified us in writing that the person is no longer authorized to initiate transfers.

31. **RIGHT OF OFFSET (Shares Lien):** If you are in default of this Agreement, you agree that we hold a security interest in your account(s) with us, including accounts on which you are a joint owner and we may impress that lien on those funds to cure any default. You are not giving us an interest in any account, including any individual retirement account, which would lose special tax treatment if given as security and applied to your loan(s).