

ELECTRONIC FUNDS TRANSFER (EFT) DISCLOSURE



ELECTRONIC FUNDS TRANSFER (EFT): A transfer of funds initiated through an electronic terminal, computer, mobile access device, telephone, magnetic tape or other device that instructs the financial institution to debit or credit your account. EFT examples include debit card point-of-sale transactions, computer, phone or other mobile access device transactions, preauthorized direct deposit or withdrawals, ATM transactions, telephone transfers and check conversions.

TYPES OF TRANSFERS AND LIMITATIONS

POINT-OF-SALE TRANSACTIONS: Your debit card can be used to access your checking account to pay for services and purchase items in person, by phone, computer or other mobile access device. You can only get cash from a participating bank or a merchant using your debit card and access code if the bank or merchant permits it. The maximum daily cash withdrawal limit is \$500. The maximum un-cleared limit using a PIN is \$2,000. You may not exceed \$2,000 in signature-based authorized un-cleared purchases per account at any one time. You cannot reverse a point-of-sale transaction.

MOBILE ACCESS DEVICE: You can access your accounts using the Lake City Federal Bank Mobile App on your mobile device. Using Online Banking with your username and password allows you to view your accounts and transactions, make a mobile deposit and transfer funds between your accounts. Using our Bill Payment system allows you to make payments to a third party. Using our TransferNow product allows you to transfer funds to an account in your name at another financial institution.

COMPUTER TRANSACTIONS: You may access our website www.lcfederal.com and login to our Online Banking product with your username and password. Once logged in, you can view your account balance, transaction history and transfer funds between accounts. You can make a loan payment from your checking or savings account. Using our Bill Pay system, you can make payments to a third party. Using our TransferNow product, you can transfer funds to an account in your name at another financial institution. You can also use your computer or mobile access device to get checking, savings and loan information, complete a stop payment on an item that has not yet cleared your account and view your account statements and cleared checks.

PREAUTHORIZED AND THIRD PARTY TRANSACTIONS: You can authorize automatic direct deposits into your Lake City Federal Bank checking and savings account. You may also authorize third party transfers or payment of recurring bills from your checking and savings account. Using our TransferNow product, you can transfer funds to an account in your name at another financial institution. Third party transactions require you to provide the third party with your account number and the financial institution information. You may terminate your transfer agreement at any time by notifying the third party in writing. We may terminate the transfer agreement

by notifying you or the third party in writing. We do not charge a fee for preauthorized electronic funds transfers.

ATM TRANSACTIONS: You can use your ATM or debit card with your PIN at an ATM to get cash from your checking or savings account(s) or transfer funds between your deposit accounts with us. The daily cash withdrawal limit for each deposit account is \$500.00. You can also use your card to get balance information about your deposit accounts. When you use an ATM not owned by us, you may be charged a fee by the ATM operator and their network, including a fee for balance inquiries and incomplete transactions.

TELEPHONE TRANSFERS: You can securely access your account(s) by telephone at 1-877-933-5253 when using your account number, PIN, and the last four digits of your Social Security Number. You can transfer funds between checking, savings and money market accounts, make a payment on a loan with us from checking or savings, get deposit and loan account information and request a FAX copy of your account statement(s).

ONE-TIME EFT AUTHORIZATION, CHECK CONVERSION OR RETURN

CHECK CHARGE: When you write a check as payment for a purchase or bill, you may authorize a one-time electronic funds transfer, sometimes called an electronic check conversion. This allows a merchant to use information from your check to complete a payment by withdrawing the funds from your checking account. You may also authorize electronic payment of a returned check charge in the event a check is returned for insufficient funds.

CONFIDENTIALITY: We disclose information to third parties about your account and transfers you make when it is necessary to complete the transfer, to verify the existence and condition of your account for a third party, such as a credit bureau, to comply with government agency or court orders, or when you give us written permission.

CONSUMER LIABILITY FOR UNAUTHORIZED TRANSFERS: A consumer may be held liable for an unauthorized electronic funds transfer or a series of related unauthorized transfers involving an accepted access device used on their account. Notify us immediately if you believe your card or PIN has been lost or stolen, or if you believe that an electronic funds transfer has been made without your permission. Telephoning us is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum line of credit funds if we are not notified. If you notify us within two business days after learning of the loss or theft of your card or PIN, you can lose no more than \$50 if someone used your card or PIN without your permission. If you do not notify us within two business days after learning of the loss or theft of the 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. And, if your statement shows transfers that you did not make, including those made by card or PIN or other means, notify us immediately. If you do not notify 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 notified us in time. The bank may extend the notification timeframes for a reasonable amount of time if extenuating circumstances exist.

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CONTACT US at (651) 345-3373 or (866) 345-3373, or at the address listed in this disclosure, to report a lost card or PIN, report an unauthorized transfer on our account or unauthorized use of information on your check.

VISA DEBIT CARD LIMITS ON LIABILITY: Unless you have been negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa card. However, this does not apply to ATM transactions outside the U.S., ATM transactions not sent over VISA or PLUS networks or transactions using your PIN not processed by VISA. VISA is a registered trademark of Visa International Service Assn.

We reserve the right to terminate your card without notice to protect your account and or the bank from fraud, theft or misuse.

FINANCIAL INSTITUTION'S LIABILITY: Electronic deposits, withdrawals and transfers will normally be completed and charged to your account on the same business day. If we do not complete a transfer on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages, except:

1. If through no fault of ours, you do not have enough money in your account to complete the transfer or transaction.
2. If the transfer or transaction would cause you to be over your credit limit.
3. If the ATM machine does not have enough cash or if the terminal is not working properly and you knew it was not working when you initiated the transaction.
4. If circumstances beyond our control prevent the transfer, despite reasonable precautions.
5. There may be other exceptions stated in our agreement with you.

STOPPING PAYMENT ON PREAUTHORIZED PAYMENTS: You have the right to issue a stop payment. To stop a preauthorized payment call or write to us at the phone number or address listed in this disclosure. You must call us in time for us to receive your request three business days or more before the payment is scheduled to take place. If you call us, we may require your request be put in writing and provided to us within 14 days of making your request. If you tell us to stop payment at least three days before the scheduled payment, and we do not do so, we will be liable for your losses or damages. We will charge a fee for each stop payment. Please see our current fee schedule for additional information.

VARYING AMOUNTS: If your preauthorized payment amount will vary, the person you are paying must notify you 10 days prior to payment with the new amount and payment date or you can choose to be notified only when a payment exceeds an amount or range.

ERROR RESOLUTION NOTICE: In case of errors or questions about your electronic transfers contact us as soon as possible by phone at (866) 345-3373 or write us at the address listed in this disclosure. We must

hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Provide your name, account number, dollar amount of suspected error and a description of the error and reason why you believe an error has occurred. If you call us, we may require you to put the information in writing and provide it to us within 10 business days. We will determine whether an error occurred within 10 business days (five business days if involving a VISA point-of-sale transaction processed by VISA or 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 to investigate your complaint or question. If we decide we need more time to investigate, we will credit your account within 10 business days so that you will have the use of the funds during the time it takes us to complete our investigation. We will credit your account within five business days if the transaction involves a VISA point-of-sale transaction processed by VISA. We may take up to 20 business days to credit your account if the transfer involved a new account. If we ask you to put your complaint or questions in writing and we do not receive it within 10 business days we may not credit your account. We will tell you the results of our research 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 also ask for copies of the documentation we used in our investigation. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. We may take up to 20 days to credit your account. An account is considered a new account for 30 days after the first deposit for a new customer.

RIGHT TO BRING CIVIL ACTION: You have the right to bring civil action against any person violating your rights governing consumer privacy and unauthorized transactions under Minnesota State Statute 47.69. You may recover the greater of your actual damages or \$500. You may also be entitled to recover punitive damages, court costs and attorney's fees.

DOCUMENTATION:

TERMINAL TRANSFERS – You can get a receipt at the time you make a transfer using an ATM or point-of-sale terminal. You may not get a receipt if the amount of transfer is \$15 or less.

PREAUTHORIZED DEPOSITS - If you arrange to have direct deposits made to your account at least once every 60 days from the same person or company, they will tell you when they make the deposit or you can access your account using Online Banking or call us at (866) 345-3373 to find out if the deposit was made.

PERIODIC STATEMENTS – You will get a monthly statement on your checking, savings and money market account. You can elect to receive a paper statement or an electronic statement.

ADVISORY AGAINST ILLEGAL USE: You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by a merchant does not necessarily mean the transaction is legal.