

FARMERS INSURANCE FEDERAL CREDIT UNION ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

In this Disclosure and Agreement, the words **I, me, mine, my, us,** and **our** mean each and all of those (whether one or more persons) who apply for and/or use any of the electronic services described in this Disclosure and Agreement. The words **your, you, yours,** and Credit Union mean Farmers Insurance Federal Credit Union.

Electronic Funds Transfer refers to any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of instructing the Credit Union to debit or credit a deposit account.

This includes the following services:

1. Automated Teller Machine (ATM) transfers (includes deposits, withdrawals).
2. Point-of-sale transfers
3. Transfers initiated by telephone (Voice Response–FONLINE)
4. Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal
5. Transfers initiated through a personal computer or mobile device including "Bill Pay".
6. Transactions that are processed through the Automated Clearing House (ACH) network. These transactions may include the following: Direct deposits to an account from payroll, pension, Social Security, IRS, or other companies, recurring debits initiated by a payee, check conversion entries, transactions authorized over the phone, or transactions authorized via the Internet. This list of examples is not inclusive, and the ACH network may add capability to address different types of transactions in the future.

The above #1-#5 electronic services are accessed by means of a card and/or a code (PIN or password). My acceptance, retention, or use of a card or code constitutes an agreement between you and me as described below. All transactions which would otherwise require my signature, or other authorized signature, shall be valid and effective as if signed by me when accomplished through use of a card or code.

I understand that my accounts or any Credit Union access device may not be used for any illegal activity.

I understand that the agreements, terms, conditions, rules and regulations applicable to any accounts accessed remain in full force and effect and continue to be applicable, except as specifically modified by this Disclosure and Agreement.

BUSINESS DAYS

Your business days are Monday through Friday, 7:30 a.m. to 3:30 p.m. PT. Holidays are not included. The above (1-5) electronic transactions are generally available twenty-four (24) hours a day, seven (7) days a week.

Transactions accomplished after the close of normal business each day shall be posted on your next business day, but may be effective-dated to the date of the transaction. Electronic transfers set up to take place on a non-business day will occur on the next business day.

MEMBER'S LIABILITY

I must tell you at once if I believe my card or code has been lost or stolen. Telephoning is the best way of keeping my possible losses down. I could lose all the money in my account, plus my maximum overdraft line of credit.

If I believe my card/code has been lost or stolen, and I tell you within two (2) business days after I learn of the loss or theft, I can lose no more than \$50 if someone used my card/code without my permission.

If I do NOT tell you within two (2) business days after I learn of the loss or theft of my card or code, and you can prove you could have stopped someone from using my card/code without my permission if I had told you, I could lose as much as \$500.

Also, if my statement shows transfers that I did not make, I will tell you at once. If I do not tell you within sixty (60) days after the statement was mailed to me, I may not get back any money I lost after the sixty (60) days if you can prove that you could have stopped someone from taking the money if I had told you in time.

I am fully liable for an electronic funds transfer from my account initiated by a person to whom I furnished my card and/or code or other access to my account, even if such person exceeds the authority given.

If a good reason (such as a long trip or a hospital stay) kept me from telling you, you may extend the time period

Exception for Visa Point-of-Sale Transactions.

I will have no liability for unauthorized transfers on a lost or stolen Visa check card. I will have no liability for unauthorized transfers not involving a lost or stolen Visa check card if I provide proper notification of the unauthorized transfer, that is, within sixty (60) days of your having sent a statement showing the unauthorized transfers. You may require me to provide a written statement regarding claims of unauthorized transactions. These exceptions do not apply to Visa check card transactions at an ATM. These limitations may be exceeded to the limit allowed by federal or state law if the Credit Union determines that I was grossly negligent or fraudulent in handling my account or card.

TELEPHONE NUMBERS AND ADDRESSES

If I believe my card or code has been lost or stolen or that someone has transferred or may transfer money from my account without my permission, or in case of errors or questions about my electronic transfers, I will immediately call you at:

323.209.6000 or 800.877.2345 for international 888.241.2510. For Visa afterhours I will call 800.234-5354

Or write you at: **Farmers Insurance Federal Credit Union
PO Box 36911, Los Angeles, CA 90036-0911**

ERROR RESOLUTIONS

I must call or write you as soon as possible, if I think my statement or receipt is wrong, or if I need more information about a transaction listed on the statement or receipt. You must hear from me no later than sixty (60) days after you sent me the FIRST statement on which the problem or error appeared. I will:

1. Tell you my name and account number,
2. Describe the error or the transfer I am unsure about, and explain as clearly as I can why I believe it is an error or why I need more information, and
3. Tell you the dollar amount of the suspected error.

If I tell you orally, you may require that I send you my complaint or question in writing within ten (10) business days.

You will tell me the results of your investigation within ten (10) business days after you hear from me and will correct any error promptly. If you need more time, however, you may take up to forty-five (45) days to investigate my complaint or question. If you decide to do this, you will provisionally credit my account within ten (10) business days for the amount I think is in error, so that I will have the use of the money during the time it takes you to complete your investigation. If you ask me to put my complaint or question in writing and you do not receive it within ten (10) business days, you may choose not to provisionally credit my account during the additional time that may be required to investigate my complaint or question.

Exception. You have up to twenty (20) business days to provisionally credit my account if the notice of error involves an electronic fund transfer to or from an account within thirty (30) days after the first deposit to the account was made (i.e., a new account). For new account transactions, or foreign-initiated transactions, or resulting from point-of-sale debit card transactions (including all debit card transactions), those for cash only, at merchants' POS terminals, and also including mail and telephone orders), you may take up to ninety (90) calendar days to complete your investigation.

Visa Check Card Exception. You will provide provisional credit within five (5) business days of notification for unauthorized point-of-sale transfers. If you decide there was no error, you will send me a written explanation within three (3) business days after you finish your investigation. I may ask for copies of the documents that you used in your investigation.

If an Automated Clearing House (ACH) transaction (preauthorized recurring transfer) takes place that I did not authorize (never authorized, or previously authorized but cancelled, or authorized but for a different amount or different date), you must hear from me as soon as I am aware of the unauthorized transfer, or within sixty (60) days of your sending the periodic statement showing the unauthorized or erroneous entry. If I tell you orally, you require me to give or send you a signed "written statement of unauthorized debit".

ACH activity on Corporate Accounts - For corporate accounts, the rights and obligations of a party with regard to a credit entry subject to UCC-Article 4A shall be construed in accordance with and governed by the laws of the State of California. For unauthorized or improper ACH debits to a corporate account, I, as the corporate account holder, must notify you of the unauthorized or improper transaction on the date that the transaction settles to the account. Notification must be in writing. If I do not notify you of the unauthorized transaction on the settlement date of the transaction, you will make a good faith effort to return the unauthorized transaction. However, you will make no warranties or guarantee regarding the return, and will not be responsible for any loss suffered by myself, account holder, due to unauthorized activity where timely notification is not given.

CREDIT UNION LIABILITY

If you do not complete a transfer to or from my account on time or in the correct amount according to your agreement with me, you may be liable for my losses or damages. However, there are some exceptions. You will not be liable, for instance:

1. If, through no fault of yours, I do not have enough money in my account to make the transfer
2. If the transfer would go over the credit limit of my overdraft line
3. If the ATM where I am making the transfer does not have enough cash
4. If the terminal or system was not working properly and I knew about the breakdown when I started the transfer
5. If circumstances beyond your control (such as fire or flood) prevent the transfer, despite reasonable precautions that you have taken
6. If you have received incorrect or incomplete information from me or from third parties (e.g., the U.S. Treasury, an Automated Clearing House, or a terminal owner)
7. If my card or code has been reported lost or stolen, has expired, is damaged so that the terminal cannot read the encoding strip, is inactive due to non-use, is retained by you at my request, or because my code has been repeatedly entered incorrectly
8. If the funds in my account are subject to an uncollected funds hold, legal process or other circumstances restricting such transaction or payment (e.g., Regulation D restrictions)
9. If failure to complete the transaction is done to protect the security of my account or the electronic terminal system
10. If I enter incorrect data while conducting an electronic transaction
11. If the pre-notification of a preauthorized transfer has been rejected by the receiving depository financial institution or the Automated Clearing House
12. If the pre-authorized transfer describes the receiver inconsistently by name and account number and the transmittal is completed based on the account number only
13. If mail service is delayed or the payee does not process the payment correctly or in a timely manner, or if Bill Pay mortgage payments are entered with a due date later than the first of the month.

CONFIDENTIALITY

You will disclose information to third parties about my account or the transfers I make:

1. Where it is necessary for completing transfers, or
2. In order to verify the existence and condition of my account for a third party, such as a credit bureau or merchant, or

3. In order to comply with a government agency or court orders, or
4. If I give you my verified authorization.

FEES

Any fees charged will be deducted from my Checking or Membership Savings account. Fees are stated on the Service Charges and Fee Schedule.

TYPES OF TRANSFERS AND LIMITATIONS

Automatic Overdraft

I may make transfers (withdrawals, cash advances, payments) only to the extent that I have funds available in my deposit account(s), plus funds in my overdraft line of credit, if any. Unless otherwise requested, overdrafting will occur first from my Membership Savings account and then from my Credit Card account, if any. Any other choice of automatic overdraft (e.g., line-of-credit overdraft) must be specified. I understand that overdraft transfers from Membership Savings will be the amount of the overdraft or all funds available. Cash advance fees apply if funds transferred from a credit card.

If I overdraw any account, you may withdraw funds from any account or make a cash advance from my line of credit account, if any, or a withdrawal from other accounts on which I am a joint owner. Overdrafts which cannot be honored are payable on demand and may result in termination of my account(s).

Federal Restrictions

In accordance with Regulation D restrictions, preauthorized, automatic, or telephone withdrawals or transfers from savings accounts (Membership Savings, Money Market and Online Saving) are limited to six (6) in each calendar month. The transactions may be made by check, or other payment order. Loan payments to the Credit Union are not included in these limits.

However, I may make an unlimited number of withdrawals from, or transfers among my own savings accounts (Membership Savings, Money Market) by mail, messenger, or in person at the Credit Union or at an ATM. I may also make an unlimited number of withdrawals from my savings accounts through FONLINE, Online Banking, Mobile Banking or by telephone if I request that you send ME a check. Transfers or withdrawals in excess of the above limitations will not be honored.

Credit Card, Debit Card and ATM Card

The Credit Union may issue upon my request and subject to your approval, a card device that will allow me to conduct agreed upon transactions on my designated accounts. Retention of and use of these cards constitute my acceptance of the terms and conditions set forth in this and the Credit Card agreement. These cards are the property of FARMERS INSURANCE FEDERAL CREDIT UNION and shall be returned upon demand.

ATM (Automated Teller Machine) Transactions

A Personal Identification Number (PIN) is required for using an ATM card. The PIN is system-generated and must be reissued if forgotten.

The ATM card and PIN may be used for:

1. Inquiries or transactions at PLUS® or STAR® network ATMs and Interlink or STAR® system point-of-sale terminals
2. ATM withdrawals from Checking or Membership Savings
3. Point-of-sale debits (purchases) with withdrawals from Checking
4. Withdrawals limited to a maximum of \$400 per day
5. ATM withdrawals generally limited to a minimum of \$20
6. Deposits limited to terminals owned by FARMERS INSURANCE FEDERAL CREDIT UNION (displaying the Farmers Insurance Federal Credit Union name) and terminals displaying a deposit-taking CO-OPSM logo. I will refer to the Share Account Agreement and Truth-In-Savings Disclosure for check-hold policies at Farmers Insurance Federal Credit Union ATMs. Any deposits made at a CO-OP ATM may not be available until the fifth business day after the deposit.

VISA Check (Debit) Card

A PIN is needed for transactions initiated through a terminal.

Card and PIN may be used for:

1) Cash withdrawals up to \$400 per day at STAR® or PLUS® network ATMs or at terminals displaying any symbol pictured on my card. 2) Withdrawals from Checking or Savings when at an ATM terminal. 3) Point-of-sale debits (purchases) with withdrawals from Checking, up to \$1000, when used at Interlink or STAR® system terminals 4) Deposits limited to terminals displaying a deposit-taking CO-OP logo and terminals owned by Farmers Insurance Federal Credit Union (displaying the Farmers Insurance Federal Credit Union name). Any deposits made at a CO-OP ATM may not be available until the fifth business day after the deposit. I will refer to the Share Account Agreement and Truth-In-Savings Disclosure for check-hold policies at Farmers Insurance Federal Credit Union ATMs.

Card (with authorization signature) may be used for:

1) Purchases up to available Checking account balance, including overdraft sources, (\$2500 maximum) anywhere VISA is accepted, whether or not initiated through an electronic terminal (payments from checking only). 2) Cash withdrawals from Checking, up to \$1000, at participating financial institutions

The Visa Check Card may be used for transactions performed on the Internet. However, I understand that my Visa Check Card may not be used directly or indirectly for (1) any illegal activity or transaction, or (2) any gambling, gaming, betting or similar activity or transaction. Further, I may not utilize my card and/or account for the purchase of any goods or services on the Internet that involve gambling, gaming, betting or any similar transaction or activity. However, in the event that a charge or a transaction described in this paragraph is approved, I understand that I will still be responsible for such charge.

Voice Response (FONLINE)

A numeric password is required for using FONLINE. The initial password is set up by the Credit Union but can be changed through FONLINE.

FONLINE may be used to:

1) Make transfers between my account types. 2) Make transfers from a joint account. 3) Make transfers to make loan payments. 4) Make check withdrawals. 5) Make inquiries regarding account balances, cleared checks, rates, interest/dividends, loan payment information, and payroll information. 6) Order new checks. 7) Order statement copies. 8) Place stop payments. Additional services may be offered in the future.

Online Banking

Subject to the Federal Financial Institutions Examination Council's guidance Authentication in an Internet Banking Environment, released June of 2011, I will be required to utilize the designated Multifactor Authentication for your Online Banking Services. Online Banking may be used for:

1) All the same functions as FONLINE (see above 1-8). 2) Transferring money to and from a joint account, and transfer to another member's account. 3) Obtaining check clearing information. 4) Applying for a loan. 5) Viewing account history and balance, and retrieve monthly statements and images of cancelled checks. 6) Transfers to or from my account at another financial institution. 7) Using Bill Pay, to merchants, vendors, service providers, creditors and private parties. Additional services may be offered in the future.

Bill Pay You will be subject to the online terms and conditions for the Bill Payment Service agreement.

Popmoney You will be subject to the TERMS OF USE (for PopmoneySM Personal Payments Service) Last updated June 9, 2012. (The following is a summary of key components of the Popmoney service; complete terms and conditions are included in the online Bill Pay Terms and Conditions)

REMOTE DEPOSIT CAPTURE

Users are subject to the full terms and conditions of "Remote Deposit Capture Users Agreement" acknowledged at time of enrollment. /END USERS AGREEMENT

Denial of Services

It is the policy of Farmers Insurance Federal Credit Union to deny all Credit Union benefits (except for allowing members the right to vote and maintain basic share accounts) to any person who causes the Credit Union to suffer a financial loss as a result of the following as outlined in the Truth in Savings Disclosure.

Business Account Users Only

My use of the Services for the purpose of depositing to a Business Account constitutes my understanding and agreement that I may be personally liable for any expenses Farmers Insurance Federal Credit Union incurs in attempting to obtain final payment for the item in question, services rendered or payments made on my accounts. I/we will be subject to the full terms and conditions of the Truth in Savings Disclosure including if I am in default under any agreement for borrowed money or any other material contract.

MOBILE BANKING SERVICE

The Mobile Banking Service ("Service") provides me with the ability to obtain account balances and account information, and to post transactions on my mobile device. I must enroll in Online Banking and then download the Credit Union Mobile App, which will require me to accept certain terms and conditions.

PRE-AUTHORIZED RECURRING TRANSFERS

1. Transfers originated through another institution may be received at the Credit Union and may credit any account type. Direct Deposit should be credited to a Checking account.
2. Transfers originated through another institution may be received at the Credit Union may debit any share account, subject to the limitations of withdrawals on those accounts. (See Share Account Agreement and Truth-In-Savings Disclosure.)
3. Recurring transfers (at least once per month of the same dollar amount) originated at the Credit Union may be used to credit any account at the Credit Union or at another institution. Written authorizations of originator and recipient account owner(s) are required, except for Bill Payment requests through Online Banking. Funds transferred to another financial institution through the Automated Clearing House will be transmitted one (1) banking days prior to the effective entry date; therefore, the funds will be removed from my Credit Union account on the transmittal date, i.e., one (1) day prior to the effective entry date. You may change the information used for the ACH transaction (such as routing number or account number) based on notifications of change received from the receiving depository financial institution.
4. Recurring transfers originated at the Credit Union may be used to debit deposit accounts owned by the originator at another institution. Written authorization is required. (The Credit Union's limitation of same ownership of accounts being debited and credited may be removed in the future.) For Automated Clearing House transactions originated through the Credit Union, credit of funds received may be provisional until the Credit Union receives final settlement of the entry. This may be one (1) business day after the effective entry date at the depository financial institutions.

You have the authorization to make adjustments to my account based on returns received through the ACH network. You may change the information used for the ACH transaction (such as routing number or account number) based on notifications of change received from the receiving depository financial institution.

5. I am required to notify you of any unauthorized or improper ACH debits to my account by filling out an ACH Dispute form (also currently known

as the Written Statement Under Penalty of Perjury) within fifteen (15) days after you send or make available to me information pertaining to the transaction in question. If I do not dispute the transaction in writing within the indicated timeframe, you will make reasonable effort to assist me with the dispute, but you will assume no liability under NACHA rules by doing so.

6. Bill payments initiated through my personal computer or mobile device will be transmitted through electronic deposit or a check. If transmitted electronically, the funds will be deducted on the selected payment due date. If transmitted by way of a check, the funds will be removed from my account when payee negotiates the check.

DOCUMENTATION AND NOTICES

Terminal Transfers

I can get (if available) a receipt at the time I make any transfer to or from my account using an ATM or point-of-sale terminal.

Pre-authorized Deposits

If I have arranged to have direct deposits made to my account at least once every sixty (60) days from the same person or company, I may call FONLINE at 800.877.2345 or log into Online Banking at www.figfcu.org to find out whether or not the deposit has been made.

Periodic Statements

I will get a monthly account statement, (electronic or hard copy) unless there are no transfers in a particular month. In any case, I will get a statement at least quarterly. If the only electronic fund transaction service I have with you is pre-authorized deposits, or recurring transfers I initiate between my own accounts at the Credit Union, then you reserve the right to send me a quarterly statement only.

Pre-authorized Payments

If I have authorized a third party to initiate automatic payments from my Credit Union account, I can get copies of the pre-authorized payment documentation from the third party being paid at the time I give them the initial authorization.

If my pre-authorized payment varies in amount, the party who will receive the payments is required to tell me ten (10) days before such payment when it will be made and how much it will be. I may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits I set.

Pre-authorized Transfers

If I have initiated preauthorized transfers through my Credit Union and the entry is not transmitted to another financial institution due to insufficient funds (NSF), I will be notified of the insufficient funds by mail. I may then request that the entry be initiated again. Bill Pay will attempt transfers on five (5) successive days sending an email notice of the insufficient funds each day, charging an NSF fee after the fifth attempt.

If I have initiated pre-authorized transfers through my Credit Union and the entry is transmitted, but later returned by the Automated Clearing House, I will be sent a notice by mail no later than one (1) business day after the Credit Union's receipt of the returned entry. The Credit Union shall have no obligation to take other action with respect to the returned entry.

STOP PAYMENTS

Pre-authorized Payments

If I have told you in advance to make regular payments out of my account, I have a right to stop any of these payments.

If I want to stop any of the pre-authorized payments, other than those I set up through Bill Pay, I must call or write you at the phone numbers or address stated above under Telephone Number and Address, in time for you to receive my request three (3) business days or more before the

payment is scheduled to be made. If I call, you may also require me to put my request in writing and get it to you within fourteen (14) days after I call. Such stop payment notice will apply only to that particular amount and payee, only for the temporary time specified in the request. To be sure that a third party does not bill me again for the "stopped" payment or to cancel the entire preauthorized payment arrangement, I will contact the third party.

If I order you to stop one of these payments three (3) business days or more before the transfer is scheduled, and you do not do so, you may be liable for my losses and damages to the extent provided by law.

Electronic Bill Payments

If I want to stop a payment I set up through Bill Pay, I must cancel the payment through the Bill Payments Additional Functions screen before the funds are removed from my account, i.e., five (5) business days prior to the due date for payments transmitted by check; three (3) business days for payments transmitted electronically. If I want to delete a payee I had set up through Bill Pay, I must wait until the last scheduled payment has reached and been processed by the payee.

E-SIGNATURE

You specifically agree that any electronic signature as subject to the E-Sign Act, will be subject to the same guarantees and requirements of a personally signed agreement.

TERMINATION OF ELECTRONIC SERVICES

Any access device (card or code) remains the property of the Credit Union. I agree to surrender the card(s) to you upon demand. You may cancel, modify or restrict the use of any card, or code, or pre-authorized transfer, upon proper notice or without notice if my account is overdrawn, or if you are aware that I have violated any term of this Disclosure and Agreement, whether or not I suffer a loss, or where necessary to maintain or restore the security of my account(s) or an electronic fund transfer system. You also reserve the right to recall the card(s) through retrieval by an electronic terminal.

I may, by written request, terminate any of the electronic services provided for in this Disclosure and Agreement. If I ask you to terminate my account or the use of any access device (card or codes), I will remain liable for subsequent authorized transactions performed by any party to my account.

SAFETY AT THE ATM

I understand that I should use caution at all times when using an ATM.



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FEDERAL
CREDIT UNION**

800.877.2345 figcu.org