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AGREEMENTS AND DISCLOSURES

THESE AGREEMENTS AND DISCLOSURES CONTAIN IMPORTANT MEMBERSHIP INFORMATION, NECESSARY TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES, ELECTRONIC SERVICES AGREEMENT AND DISCLOSURES, FUNDS AVAILABILITY POLICY, WIRE TRANSFER AGREEMENT AND PRIVACY POLICY DISCLOSURE. PLEASE BE CERTAIN TO READ THESE AGREEMENTS AND DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Throughout these Agreements and Disclosures, the references to "We," "Us," "Our," and "Credit Union" mean PENN EAST FEDERAL CREDIT UNION. The words "You" and "Your" mean each person applying for and/or using any of the services described herein. "Account" means any account or accounts established for You as set forth in these Agreements and Disclosures. The word "Card" means any Automated Teller Machine (ATM) Card and MasterCard Debit Card issued to You by Us and any duplicates or renewals We may issue. Our Audio Response System is hereinafter referred to as "Audio Response," whereas Our Internet Account Access System is hereinafter referred to as "Online Banking" and Our Internet Bill Payment System is hereinafter referred to as "Bill Pay." "E-Check" means any check which You authorize the payee to process electronically. For joint accounts, read singular pronouns in the plural.

PENN EAST FEDERAL CREDIT UNION MEMBERSHIP

To apply for membership with Penn East Federal Credit Union You must complete, sign and return an application for membership.

Your signature on Your application for membership informs the Credit Union that You would like to join the Credit Union and that You agree to conform to the Credit Union's Bylaws and Amendments.

Credit Union membership is granted to applicants within Penn East Federal Credit Union's common bond as outlined in the Credit Union's Charter.

Eligibility also includes spouses of persons who died while within the field of membership and Credit Union employees. By signing Your application for

membership, You acknowledge receipt of these Agreements and Disclosures, including the terms and conditions which apply to Your Accounts.

FAMILY MEMBERSHIP

Credit Union members in good standing and whose status is currently within the Credit Union's common bond (as outlined therein) may sponsor immediate family members and possibly other members of Your household for Credit Union membership. Eligible family members may include for instance: father, mother, brother, sister, son, daughter, grandmother, grandfather and spouse (which may include anyone living in Your residence that You maintain a single economic unit with).

ACCOUNT AGREEMENT

YOU AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT CONTROLS YOUR ACCOUNT(S) WITH PENN EAST FEDERAL CREDIT UNION, TOGETHER WITH ANY OTHER RELATED DOCUMENT SUCH AS OUR FUNDS AVAILABILITY POLICY AND ELECTRONIC SERVICES AGREEMENT AND/OR AGREEMENTS AND DISCLOSURES, ALL OF WHICH, TO THE EXTENT APPLICABLE, ARE INCORPORATED INTO THIS AGREEMENT BY REFERENCE.

ACCOUNT OWNERSHIP

JOINT ACCOUNTS. If Your Account is owned jointly, then all funds on deposit are owned by any of the joint Owners with right of survivorship. The joint Owners of the Accounts hereby agree with each other and with Us that all sums, whenever paid into the Accounts by any or all of the joint Owners to the credit of the joint Owners with all accumulations thereon, are and shall be owned by them jointly, with right of survivorship and be subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge Us from any liability for such payment. You authorize Us to recognize any of the signatures subscribed in Your application for membership for the payment of funds or the transaction of any business for the Accounts. We can release or pay any amount on deposit in Your Account to any Owner. We can honor checks, withdrawals, orders or requests from any Owner. All Owners are liable to Us for any overdrafts that may occur on Your Account, regardless of whether or not a benefit occurred and checks cashed against any Account are subject to collectability from such Account if returned unpaid. Any Owner may provide Us written notice to freeze funds on deposit and We may, at Our option, honor such written request. If We do, then the Account will remain frozen until We receive subsequent written notice signed by all Owners of the Account as to a disposition of funds on deposit. Any or all of the joint owners may pledge all or any part of the shares in the Accounts as collateral security to a loan or loans and any funds on deposit may be utilized to satisfy any debt or garnishment of any Owner of the Account. The right or authority of the Credit Union under these Agreements and Disclosures shall not be changed or terminated by said owners or any of them except by written notice to Us, which shall not affect transactions made prior to such notice. It is the responsibility of joint account Owners to determine any legal effects of opening and maintaining a joint account.

CUSTODIAL ACCOUNTS. Any custodial Account is subject to the Pennsylvania Uniform Transfers to Minors Act and it is Your responsibility to determine any legal effects related to this type of Account. You understand and agree that the gift of money to the minor named at the time You open such Account includes all dividends thereon and any future additions thereto, is irrevocable and is made in accordance with and is to include all provisions of the Pennsylvania Uniform Transfers to Minors Act as it is now or hereafter amended. The age of delivery to custodian FBO minor shall be upon the age of 21 unless otherwise specified by the custodian under the Pennsylvania Uniform Transfers to Minors Act.

AUTHORIZED SIGNERS. If You establish Your Account with authorized signers, or You subsequently appoint any authorized signers, You understand and agree that the Credit Union will not at any time be liable for the actions of such authorized signers and/or be obligated to ensure that their actions are in accordance with any instructions You have provided to them. Any appointment of an authorized signer, together with any subsequent revocation or change must be in writing and in a form acceptable to Us. It is Your responsibility to determine any legal effects related to Your appointing any authorized signers on Your Account.

PAYABLE-ON-DEATH STATUS. If the Account Designation shows a payable-on-death status, any Beneficiary has rights to the Account: (a) if the Beneficiary is a natural person, only if the Beneficiary is alive and only if You and any joint Owners are deceased; (b) if the Beneficiary is a charity or other non-profit organization, only if the charity or non-profit organization is in operation as a validly constituted, registered and/or licensed entity under applicable state law, and You and any joint Owners are deceased. Upon Your death and the death of any joint Owners, the funds on deposit will be paid to the beneficiary(ies) of record in equal shares unless You designated otherwise. If, however, none of the payable-on-death beneficiaries You named is alive (or in operation as a validly constituted, registered and/or licensed entity under applicable state law in the case of a charity or non-profit organization) at Your death, the funds will be paid to the party or parties as required by applicable law. It is the responsibility of all Account Owners to determine any legal effects of opening and maintaining an Account with payable-on-death status.

FIDUCIARY ACCOUNTS. If Your Account is established as a fiduciary Account, You warrant that You are authorized to open a fiduciary Account and understand that such Accounts will only be opened by the Credit Union if the documentation presented by You to the Credit Union is in a manner acceptable to Our underwriting policies. In no event will the Credit Union be liable for the actions of the fiduciary and/or obligated to ensure that the fiduciary's actions are in accordance with any instructions that have been provided to them. It is Your responsibility to determine and understand any legal effects related to this type of Account.

ARBITRATION. Any controversy or claim arising out of or relating to these Agreements and Disclosures, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Arbitration Rules and judgement on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All parties hereby waive and give up all rights to a jury trial or class action relief.

ACCOUNT AGREEMENT (continued)

INDEMNITY. You agree to indemnify and hold harmless the Credit Union and their successors and assigns, from any claim, action, liability, loss, damage or suit, arising out of any action or inaction on Our part in connection with these Agreements and Disclosures and/or Your failure to abide by its terms. In the event of any claim, We shall provide You with reasonable and timely notice of such claim, and thereafter You shall at Your own expense defend, protect and hold harmless the Credit Union against said claim or any loss or liability thereunder. In the event You fail to defend and/or indemnify and hold Us harmless, then in such instance We shall have full rights to defend, pay or settle said claim on Your behalf without notice to You and with full right of recourse against You for all fees, costs, expenses and payments made or agreed to be paid to discharge said claim. You further agree to pay all reasonable attorneys' fees necessary to enforce such provision. Such indemnity shall be unlimited in amount and duration and be binding upon and inure to the benefit of all parties, their successors, assigns and personal representatives.

POWER OF ATTORNEY. If You name a person to act as Your attorney-in-fact or agent in any way with Your Account, We are only obligated to deal with such person if We, in Our sole judgment, approve of the form of appointment and the supporting documentation.

DEPOSIT OF ITEMS. You may make deposits to Your Account using any method available from Us, including deposits in person, by mail or electronic means. We have the right to refuse to accept any check or instrument for deposit at Our sole discretion. If You deposit an item and it is returned unpaid, We will debit Your Account for the amount of the item and charge You a fee. You will be liable to Us for the amount of any item You deposit which is returned unpaid, and in addition, will be responsible for any of Our costs and expenses incurred in the collection of such returned item from You, including reasonable attorneys' fees. Subject to Our Funds Availability Policy, You may not be able to withdraw funds from Your Account until We have received final settlement for any items deposited. If You make a deposit on a Saturday, Sunday, or a holiday, or after Our predetermined cut-off hour on business days, the deposit will be credited to Your Account as of the next business day.

COLLECTION AND PROCESSING OF ITEMS. In processing items You have deposited for collection, We are only Your agent and assume no responsibility beyond the exercise of ordinary care. Any item deposited is subject to final settlement in cash or credit. We may use any method We feel is appropriate to collect items, which may include use of a Federal Reserve Bank. We are not responsible for the acts of any third party We use for the collection of items including responsibility for lost items. If We use a local clearinghouse in the collection of items, You authorize Us to do so and to act in accordance with any applicable rules and regulations. We may permit You to withdraw funds from Your Account before final settlement has been made, however, if final settlement is not made, We have the right to charge Your Account or otherwise require You to repay such funds. In processing items presented for payment on Your Account, We will pay such items each business day in an order of Our choosing, all of which means that the transactions may not be processed in the order in which they occurred and that You could incur multiple fees in a single day should there be insufficient funds to pay all items presented that day.

OVERDRAFT PROTECTION. To the extent permitted by law, You authorize Us to transfer funds from other Accounts You may have with Us in necessary multiples (or in such increments as We may from time to time determine) to Your Account to cover any overdraft. If You have a line of credit with Us, transfers will be made first from Your primary share Account, provided You have enough available funds in that Account, then from Your line of credit up to Your available credit limit, and then We may elect to pay such overdraft, subject to any preference You have indicated to Us for clearing any overdraft(s). Overdraft transfers are subject to a transfer fee. You hold Us harmless from any and all liability which might otherwise exist if a transfer does not occur.

OVERDRAFTS. You understand and agree that We may from time to time, and at Our sole discretion, pay certain items in order to cover an overdraft, and charge You a fee for doing so. You further understand that payment of any overdrafts will be made in an order of Our choosing. You hold Us harmless from any and all liability which might otherwise exist if We do not pay an overdraft. If You would like to opt-out, that is, if You would prefer We not pay any share drafts that would overdraw Your share draft Account, You may opt-out by writing to Us at the address in this Agreement or by calling Us at the telephone number shown in this Agreement and informing Us of Your intention to opt-out.

NOTICE OF RECEIPT OF ACH ITEMS. Under the operating rules of the National Automated Clearing House Association which are applicable to ACH transactions involving Your account and as permitted by law, We are not required to give You next day notice of receipt of an ACH item, and We will not do so. We will continue to notify You of the receipt of payments in the periodic statements We provide to You.

PROVISIONAL PAYMENT (ACH ORIGATION). Credits given by any Receiving Depository Financial Institution to the receiver with respect to any automated clearing house credit entries subject to Article 4A of the Uniform Commercial Code (UCC-4A), are provisional until the Receiving Depository Financial Institution has received final settlement through a Federal Reserve Bank, or has otherwise received payment as provided in §4A-403(a) of UCC-4A. If the Receiving Depository Financial Institution does not receive such final settlement or payment, then they shall be entitled to a refund from the receiver of the amount so credited, and We shall not be deemed to have paid the receiver the amount of such entry.

PROVISIONAL PAYMENT (ACH RECEIPT). Credit given by Us to You with respect to any automated clearing house credit entry is provisional until We receive final settlement for such entry through a Federal Reserve Bank. If We do not receive final settlement, You are hereby notified and agree that We are entitled to a refund of the amount credited to You in connection with such entry, and the party making payment to You via such entry (i.e., the originator of the entry) shall not be deemed to have paid You the amount of such entry.

CHOICE OF LAW. We may accept payments on Your behalf for Your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving Your account.

EXPENSES. If We incur any costs or expenses as a result of any attachment, garnishment or levy against Your Account, You will reimburse Us for such costs or expenses or We may charge them to Your Account.

INACTIVE OR DORMANT ACCOUNTS. Inactive Accounts (Accounts with no withdrawals or deposits within a one-year period) may be subject to an Inactive Account Fee. If no activity occurs in Your account within the time period specified by applicable state law, the property in Your account may be subject to transfer to the appropriate state authority ("escheatment"). We have no liability if Your Account becomes dormant and is therefore subject to escheatment in accordance with applicable state law.

LIEN IMPRESSMENT AND SET-OFF. You agree that We may impress and enforce a statutory lien upon Your Accounts with Us to the extent You owe Us any money and We may enforce Our right to do so without further notice to You. We have the right to set-off any of Your money or property in Our possession against any amount You owe Us. The right of set-off and Our impressed lien does not extend to any Keogh, IRA or similar tax deferred deposit You may have with Us. If Your Account is owned jointly, Our right of set-off and Our impressed lien extends to any amount owed to Us by any of the joint Owners.

CREDIT REPORTING NOTICE. We may report information about Your account to credit bureaus. Late payments, missed payments, or other defaults on Your account may be reflected in Your credit report.

MINIMUM BALANCE REQUIREMENTS, FEES AND SERVICE CHARGES. You agree to pay Us any applicable fees or charges, and are responsible for any minimum balance requirements and deposit requirements called for in Our Agreements and Disclosures provided to You when You opened Your Account. In any case and with proper notice to You, fees, charges, balance requirements and deposit requirements may be changed by Us from time to time.

SUSPENSION OF SERVICES. We have the right to suspend the benefit of any Credit Union service at any time for reasonable cause. At Our discretion, We also have the right to pay any share draft presented for payment from Your Account after Your Account is closed or suspended and to recover such amount paid from You. Account services are available to those members in good standing with the Credit Union. We reserve the right to cancel or suspend services to a member who is not in good standing, which includes members that have: (a) a delinquent loan; (b) a primary share Account balance below 1 share (\$5.00), at any time (2 shares (\$10.00) when the Primary Owner is designated as a member, and the joint owner is also designated as a member); (c) an unresolved deposited returned check; (d) any unpaid and uncollected fees; or (e) a negative balance on an Account.

ASSIGNABILITY. You may not assign or transfer any interest in Your Account.

AGREEMENTS AND DISCLOSURES. The Agreements and Disclosures provided to You at the time You opened Your Account and referred to throughout this Agreement, contain: (a) a list of fees and charges applicable to Your Account; (b) the dividends and applicable Annual Percentage Yield (APY); (c) how dividends are credited or compounded; and (d) other pertinent information related to Your Account. Your Agreements and Disclosures may be amended by Us from time to time in a manner as prescribed by law.

ACCOUNT AGREEMENT (continued)

STOP PAYMENTS. You may ask Us orally to stop payment on a share draft. For any such request to remain valid, however, You must also supply Us with a written request within 14 days after You make any such oral request. Stop payment requests are also subject to the terms and conditions of the Order For Stop Payment form related to any such request. Your request must be given to Us in a timely manner so that We have a reasonable opportunity to act on Your request. A written stop payment request is effective for six months. If at the end of 6 months You request Us to continue the stop payment order, that request will be treated as a new request. We are not liable if We pay a share draft which You have requested Us to stop payment on as long as We act in good faith and exercise ordinary care.

In any event, any damages that We might otherwise be liable for shall not exceed the amount of the involved share draft. If We do pay a share draft for which You have requested stop payment and as a result any other item is returned unpaid by Us due to nonsufficient funds, We are not liable for any consequences resulting from such action. If Your Account is a joint Account, any Owner of the Account may request a stop payment. Any release of a stop payment order must be made by the person who made the request. If You ask Us to stop payment on a pre-authorized transfer, Your request will be processed under the provisions of Our Electronic Fund Transfer Agreement with You.

You may also ask Us to replace a lost, destroyed or stolen cashier's, teller or certified check and if You do, You agree to execute a declaration of loss and claim for reimbursement form together with any other documentation We may require, such as an affidavit. Regardless of the type of documentation presented to Us, the request must be in a form acceptable to the Credit Union and given to Us in a timely manner so that We have a reasonable opportunity to act on such request. Such declaration of loss and claim for reimbursement will not become effective until the later of: (a) the 90th day after the date of the check (or 90th day following the date of acceptance, in the case of a certified check); or (b) the date We receive the declaration of loss and claim for reimbursement together with any other required documentation.

SHARE DRAFTS AND OTHER ACCOUNT ACCESS DEVICES. Any share draft or other Account access device which does not meet Our standards for acceptance may be rejected by Us, whether such standards are established by law, regulation or Our own policy.

POSTDATED, STALE OR OVERDRAFT SHARE DRAFTS. You understand that postdating a share draft will have no effect on whether or not it is honored prior to or after the date of any such share draft. A stale share draft is any share draft received by Us that is dated 6 months or more prior to the date of receipt. We may pay or refuse to pay any postdated, stale or overdraft share draft, or other item presented for payment on Your Account without any liability.

SHARE DRAFT SAFEKEEPING. Share draft Safekeeping is automatic on Your Account and Your cancelled share drafts will not be returned to You. You understand that cancelled share drafts retained by Us are later destroyed after a reasonable period of time. If You subsequently request a copy of a share draft and We are unable to supply it, then We shall not be liable for any damage You may sustain in excess of the face amount of the involved share draft.

PERIODIC STATEMENTS. You will be provided with a periodic statement showing activity on Your Account. If You believe any statement reflects discrepancies, You must notify Us of such discrepancies within 60 days from the date We mailed the statement to You. If the discrepancy noted is the result of an electronic fund transfer, then the provisions of Our Electronic Fund Transfer Agreement with You will control resolution of the matter.

AMENDMENTS. This Agreement may be amended by Us at any time, in which case We will provide You with a notice of amendment as required by law or regulation.

NOTIFICATION OF ADDRESS CHANGE. You will notify Us promptly in writing with Your signature if You move or otherwise have a change of address. In the event We are unable to locate You, You agree to pay all fees associated with maintaining an invalid address in Our records and any costs and locator fees incurred in Our locating efforts.

WAIVERS. You agree and understand that Our failure or delay to exercise any right, remedy, power, or privilege available to Us pursuant to this Agreement shall not affect or disallow Our future exercise of that right, remedy, power or privilege.

GOVERNING LAW. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, except to the extent that federal law controls.

ACCOUNT DISCLOSURES

THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.

SPECIFIC TERMS APPLICABLE TO YOUR SAVINGS ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. You must maintain an average daily balance in Your Account each dividend period that is at least equal to \$100.00, in order to earn the disclosed APY.

Additional Information. To be a member and maintain Accounts with Us You must purchase 1 share in the Credit Union when the Primary Owner is designated as a member (2 shares when the joint owner is also designated as a member). The par value of a share in this Credit Union is \$5.00. If the balance in Your primary share Account drops below 1 share (\$5.00), at any time (2 shares (\$10.00) when the Primary Owner is designated as a member, and the joint owner is also designated as a member), We may, at Our option, close Your Account.

SPECIFIC TERMS APPLICABLE TO YOUR BASIC CHECKING

Dividend Information. No dividends are paid on this Account.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

Transaction Limitations. No transaction limitations apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR ADVANTAGE CHECKING

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying

Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. You must maintain a balance in Your Account each day that is at least equal to \$2,500.00, in order to earn dividends and avoid a fee.

Transaction Limitations. No transaction limitations apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR PREMIER CHECKING

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. You must maintain an aggregate balance of deposit and loan accounts equal to \$15,000.00 per day to earn dividends and avoid a fee.

Transaction Limitations. No transaction limitations apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR CASH BACK REWARDS CHECKING ACCOUNT

Dividend Information. No dividends are paid on this Account.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

Additional Information. In order to earn cash back rewards using Your MasterCard Debit Card and be eligible to receive credit for domestic ATM fees incurred (up to \$20.00 per month), You must: (a) make 12 or more signature-based (non-PIN) transactions (evidenced by Your statement) using Your MasterCard Debit Card; and (b) consent to receive Your statements electronically.

ACCOUNT DISCLOSURES (continued)

Each qualification cycle will begin on the first calendar day of each month, and end on the last calendar day of each month ("qualification cycle"). Cash back credits will be earned at the rate of 3.00% of all qualifying purchases, up to a total of \$9.00 per qualification cycle. Domestic ATM fees incurred during each qualification cycle will be reimbursed up to a total of \$20.00.

Cash back and ATM reimbursements will not be issued if all of the requirements are not met each qualification cycle.

You will not receive cash back credits or ATM reimbursements in conjunction with: (i) transactions processed at ATMs; (ii) transfers between Accounts; (iii) MasterCard Debit Card point of sale transactions processed by merchants and received by Us as ATM transactions; (iv) non-retail payment transactions; and (v) point of sale transactions made with debit cards not issued by Us. Transactions bundled together by merchants and received by Us as a single transaction will be accounted for as a single transaction when We determine the amount of any earned rewards.

If at any time We believe that the activity on Your Account is for the sole purpose of qualifying for rewards and credits, We may at Our sole and exclusive option, close Your Account.

Members may open one (1) Member Cash Back or Member High Rewards Checking Account.

SPECIFIC TERMS APPLICABLE TO YOUR HIGH REWARDS CHECKING ACCOUNT

Tiered Variable Rate Information. This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

Additional Information. In order to earn the disclosed APY and be reimbursed for domestic ATM fees incurred (up to \$20.00 per month), during each dividend period, You must: (a) make 12 or more signature-based (non-PIN) transactions (evidenced by Your statement) using Your MasterCard Debit Card; and (b) consent to receive Your statements electronically.

Each qualification cycle will begin on the first calendar day of each month, and end on the last calendar day of each month ("qualification cycle"). Domestic ATM fees incurred during each calculation cycle will be reimbursed up to a total of \$20.00 if qualifications are met within the calculation cycle. Calculation rewards will not be issued if all qualifications are met within the calculation cycle.

You will not receive dividend rewards or ATM reimbursements in conjunction with: (i) transactions processed at ATMs; (ii) transfers between Accounts; (iii) MasterCard Debit Card point of sale transactions processed by merchants and received by Us as ATM transactions; (iv) non-retail payment transactions; and (v) point of sale transactions made with debit cards not issued by Us. Transactions bundled together by merchants and received by Us as a single transaction will be accounted for as a single transaction when We determine the amount of any earned rewards.

If at any time We believe that the activity on Your Account is for the sole purpose of qualifying for rewards and credits, We may at Our sole and exclusive option, close Your Account.

Members may open one (1) Member Cash Back or Member High Rewards Checking Account.

SPECIFIC TERMS APPLICABLE TO YOUR SECOND CHANCE CHECKING

Dividend Information. No dividends are paid on this Account.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

Transaction Limitations. Once Your Account is established You may not deposit funds derived from third party checks.

SPECIFIC TERMS APPLICABLE TO YOUR MONEY MARKET ACCOUNT

Tiered Variable Rate Information. This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the

accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR CHRISTMAS CLUB ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR VACATION CLUB ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. No minimum balance requirements apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR TRADITIONAL IRA, ROTH IRA AND EDUCATIONAL IRA SAVINGS ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$5.00.

Transaction Limitations. Individual Retirement Accounts (IRAs) are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement or Your tax advisor for additional information.

SPECIFIC TERMS APPLICABLE TO YOUR SHARE CERTIFICATE ACCOUNT

Tiered Fixed Rate Information. These Accounts are subject to a Tiered Fixed Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. For the minimum balance required to open these Accounts, refer to the accompanying Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

Transaction Limitations. Once Your Account is established, You may not make additional deposits into Your Account.

Maturity Date. Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

Early Withdrawal Provisions. We will impose a penalty if You withdraw any funds before the maturity date. For Accounts with a term to maturity equal to or less than 34 months, the penalty imposed will be an amount equal to 6 months' dividends. For Accounts with a term to maturity greater than 34 months, the penalty imposed will be an amount equal to 12 months' dividends.

Renewal Policies. Your Account will renew automatically at maturity, and You will have a grace period of 10 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

SPECIFIC TERMS APPLICABLE TO YOUR TEEN SHARE CERTIFICATE (17 Years & Younger) ACCOUNT

Fixed Rate Information. These Accounts are subject to a Fixed Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

ACCOUNT DISCLOSURES (continued)

Minimum Balance Requirements. For the minimum balance required to open these Accounts, refer to the accompanying Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

Transaction Limitations. Once Your Account is established, You may not make additional deposits into Your Account.

Maturity Date. Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

Early Withdrawal Provisions. We will impose a penalty if You withdraw any funds before the maturity date. For Accounts with a term to maturity equal to or less than 34 months, the penalty imposed will be an amount equal to 6 months' dividends. For Accounts with a term to maturity greater than 34 months, the penalty imposed will be an amount equal to 12 months' dividends.

Renewal Policies. Your Account will renew automatically at maturity, and You will have a grace period of 10 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

SPECIFIC TERMS APPLICABLE TO YOUR IRA CERTIFICATE ACCOUNT

Tiered Fixed Rate Information. These Accounts are subject to a Tiered Fixed Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

Minimum Balance Requirements. For the minimum balance required to open these Accounts, refer to the accompanying Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

Transaction Limitations. Once Your Account is established, You may not make deposits into Your Account. Individual Retirement Accounts (IRAs) are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement or Your tax advisor for additional information.

Maturity Date. Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

Early Withdrawal Provisions. We will impose a penalty if You withdraw any funds before the maturity date. For Accounts with a term to maturity equal to or less than 34 months, the penalty imposed will be an amount equal to 6 months' dividends. For Accounts with a term to maturity greater than 34 months, the penalty imposed will be an amount equal to 12 months' dividends.

Renewal Policies. Your Account will renew automatically at maturity, and You will have a grace period of 10 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

GENERAL TERMS APPLICABLE TO ALL ACCOUNTS

Member in Good Standing. The Account services described in these **Agreements and Disclosures** are available to those members in good standing with the Credit Union. We reserve the right to suspend services to a member who is not in good standing, which includes members that have:

- a delinquent loan.
- a primary share Account balance below 1 share (\$5.00), at any time (2 shares (\$10.00) when the Primary Owner is designated as a member, and the joint owner is also designated as a member.)
- an unresolved deposited returned check.
- unpaid and uncollected credit union fees.
- a negative balance on an Account.

Minimum Balance Requirements. To be a member and maintain Accounts with Us You must purchase 1 share in the Credit Union when the Primary Owner is designated as a member (2 shares when the joint owner is also designated as a member). The par value of a share in this Credit Union is \$5.00. If the balance in Your primary share Account drops below 1 share (\$5.00), at any time (2 shares (\$10.00) when the Primary Owner is designated as a member, and the joint owner is also designated as a member), We may, at Our option, close Your Account.

Nonsufficient Funds Returns. Any share draft or pre-authorized transfer, or transaction made through the use of a debit card, or other electronic means, as is applicable (including any in-person transaction), that is presented to Us for payment on Your Account when Your Account lacks sufficient collected funds to pay any such item may, at Our option, be returned for nonsufficient funds or We may honor any such item and charge You a fee for doing so.

Overdraft Balance Calculation. When processing transactions that debit or credit Your Account, We start each Business Day with Your final Account balance from the preceding Business Day. The final balance takes into account all of the debit and credit transactions that were settled that Business Day pursuant to Our Funds Availability Policy, as well as any other debits or credits to Your Account that were finally settled that day, as described above in the "Deposit of Items" and "Collection and Processing of Items" sections of the Account Agreement. This starting balance at the beginning of a Business Day (the preceding Business Day's final balance) is sometimes referred to as Your "actual balance."

As credits and debits to Your Account are received by Us, We add them to and subtract them from Your actual balance. Examples of credits include, but are not limited to, electronic direct deposits, check deposits that have been fully and finally collected, ACH credits that have settled that day, and cash deposits made to one of Our tellers. Examples of debits include, but are not limited to, checks drawn on Your Account that are presented to Us for payment, electronic fund transfer (EFT) debit transactions (such as preauthorized payments and settled EFT debits), memo-posted EFT debits (EFT debits that We have authorized but which have not been settled), and Credit Union fees and charges. The result of this calculation at any given point in time is called Your "available balance."

For the purpose of determining whether an overdraft has occurred, We use Your available balance. First, We add all of the settled credit transactions to the beginning actual balance. Then, We subtract all of the debit transactions that settled that day. We also subtract all of the pending debit transactions. This determines the available balance for overdraft purposes. Each debit transaction that We process when Your Account has a negative available balance is an overdraft, subject to an overdraft charge.

Subject to applicable law, You are responsible for paying any overdraft fees and charges assessed in connection with Our payment of an overdraft, as well as any NSF fees charged to Your Account when We dishonor and return an item for non-sufficient funds. It is Your responsibility to know Your Account balance, and if You have any questions You should contact a Credit Union representative.

Withdrawal of Dividends Prior to Maturity. For all term Accounts, the Annual Percentage Yield assumes dividends remain on deposit until maturity. A withdrawal will reduce earnings.

Additional Transaction Limitations. For all Accounts (except share draft Accounts), the Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than 7 days and not more than 60 days before any such withdrawal.

Nature of Dividends. All dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Variable Rate Information. For all variable-rate Accounts, the dividend rates and APY may change at any time based on the determination of the Credit Union's Board of Directors.

Compounding and Crediting. For all dividend bearing Accounts, dividends will be earned daily for each day on which Your balance exceeds the minimum balance requirement for Your Account. For all dividend bearing Accounts, the dividend period is monthly and dividends will be compounded and credited to Your Account monthly.

Balance Computation Method. For all dividend bearing Accounts, dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the Account for the period. The average daily balance is calculated by adding the balance in the Account for each day of the period and dividing that figure by the number of days in the period.

Accrual on Noncash Deposits. For dividend-bearing Accounts, dividends will begin to accrue on the business day that You place noncash items (e.g. checks) into Your Account.

Fees and Charges. Any fees and charges applicable to Your Account are disclosed on the accompanying schedule of fees and charges provided in conjunction with these Agreements and Disclosures.

ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE

THIS IS YOUR ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE. IT INCLUDES NECESSARY FEDERAL STATEMENTS AS REQUIRED BY THE ELECTRONIC FUND TRANSFER ACT (15 U.S.C. SECTION 1693 ET SEQ) AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR ATM CARD OR MASTERCARD DEBIT CARD, AND OUR AUDIO RESPONSE SYSTEM ("AUDIO RESPONSE"), OUR INTERNET ACCOUNT ACCESS SYSTEM ("ONLINE BANKING"), OUR INTERNET BILL PAYMENT SYSTEM ("BILL PAY"), EACH WITH THEIR CORRESPONDING PERSONAL IDENTIFICATION NUMBER (PIN) OR ACCESS CODE, AND ANY CHECKS YOU AUTHORIZE TO BE PROCESSED ELECTRONICALLY ("E-CHECK").

ATM CARD, MASTERCARD DEBIT CARD, AUDIO RESPONSE, ONLINE BANKING, BILL PAY, AND E-CHECK AGREEMENT. This Agreement applies to any electronic fund transfer made to or from Your Account(s) by You or by any user who has access to Your Account with actual, apparent or implied authority for use of Your Account. Electronic fund transfers to and from Your Account can be made through the use of, but may not be limited to the following: (a) Your Card in Automated Teller Machines (ATMs) or at any place that it is honored including those transactions made through the use of the appropriate PIN in conjunction with Your Card; (b) Our Audio Response system; (c) Our Online Banking system; (d) Our Bill Pay system; and (e) any check which You authorize the payee to process electronically. An electronic fund transfer is any transfer of funds which is performed through the use of Your Card, Our Audio Response system, Our Online Banking system, Our Bill Pay system, E-Check or other electronic device. You understand that Your Card and any Personal Identification Numbers (PINs) or Access Codes are issued by Us and are not transferable. The use of Your Card, PIN and/or any other Account access device is subject to the following terms. You agree: (a) to abide by Our rules and regulations as amended related to the use of Your Card, PIN and/or other Account access device; (b) that We may follow all instructions given to Machines; (c) not to use Your Card for illegal transactions including, but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law; and (d) that each withdrawal by You or by any authorized user of Your Card or PIN may be charged to Your share or share draft Account, as appropriate, and will be treated as though it were a share withdrawal except that: (1) We may charge withdrawals to Your share Account in any order We determine; and (2) We cannot honor stop payment requests on ATM and POS withdrawals.

We may, but are under no obligation to do so, process an Electronic Fund Transfer that exceeds the balance in Your share and/or share draft Account. In the event that any such transfer occurs, You agree to immediately pay Us the overdrawn amount and to the extent permitted by law, any associated fees and charges. For security reasons there are limits on the number of transactions that may be processed each day.

ISSUANCE OF PERSONAL IDENTIFICATION NUMBERS AND ACCESS CODES. You will be issued separate Personal Identification Numbers (PINs) to be used in conjunction with ATM Card and MasterCard Debit Card transactions, and separate Access Codes to be used in conjunction with Audio Response, Online Banking, and Bill Pay transfers. Your use of Your PIN or Access Code is Your authorization to Us to withdraw funds from Your share Account or Your share draft Account to cover such transactions.

OTHER AGREEMENT. If electronic fund transfer transactions involve other agreements You have with Us, the terms of those agreements will apply as well.

BUSINESS DAYS. Every day is a business day except Saturdays, Sundays and holidays.

DELAYED FUNDS AVAILABILITY NOTICE. Subject to Our Delayed Funds Availability Policy, deposits made at Penn East Federal Credit Union locations may not be posted to Your Account until they are received and verified by Us. All deposited items are removed from machines each business day. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope. See Our Funds Availability Policy Disclosure for Our policy regarding the availability of Your deposits.

TYPES AND LIMITATIONS OF SERVICES

ATM CARD TRANSACTIONS. You may use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate, to deposit cash and checks to Your share and share draft Account(s). You may also use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate, to withdraw cash from Your share and share draft Accounts not to exceed \$500.00 per day (share, share draft, and line of credit combined), subject to the available funds in Your Account. In addition, You may transfer funds between Your share and share draft Accounts, subject to the available funds in Your Account, and make miscellaneous inquiries on Your share and share draft Accounts with Us.

MASTERCARD DEBIT CARD TRANSACTIONS. You may use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate, to deposit cash and checks to Your share and share draft Account(s). You may also use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may

designate, to withdraw cash from Your share and share draft Accounts not to exceed \$500.00 per day (share, share draft, and line of credit combined), subject to the available funds in Your Account. In addition, You may transfer funds between Your share and share draft Accounts that You have with Us, subject to the available funds in Your Account, and make miscellaneous inquiries on Your share and share draft Accounts with Us.

You may also use Your Card in conjunction with Your PIN to purchase goods and services ("POS") at any business establishment where the Card is accepted, not to exceed \$1,000.00 per day (share, share draft, and line of credit combined), subject to the available funds in Your Account.

AUDIO RESPONSE TRANSACTIONS. You may use Audio Response in conjunction with Your Access Code and a touch-tone telephone to make the following types of transactions: (a) make check withdrawals from Your share or share draft Accounts that You have with Us, subject to the available funds in Your Account; (b) make loan payments from Your share and share draft Accounts that You have with Us, subject to the available funds in Your Account; and (c) make miscellaneous inquiries on Your Account(s) with Us. Audio Response operates 24 hours every day. If You attempt to use the system and are told that "the system is not available," please call back later when service is restored.

ONLINE BANKING. You may use Online Banking in conjunction with Your Access Code and an internet connection and a personal computer, or internet enabled mobile computing device (e.g. smartphone or tablet) for the following services: (a) transfer funds between Your share and/or share draft Accounts that You have with Us, subject to the available funds in Your Account; (b) make advances from Your line of credit account with Us, to Your share Accounts that You have with Us; and (c) make miscellaneous inquiries on Your Account(s) with Us. Online Banking operates 24 hours every day. If You attempt to use the system and are told that "the system is not available," please try again later when service is restored.

BILL PAY. You may use Bill Pay in conjunction with Your Access Code and an internet connection and a personal computer, or internet enabled mobile computing device (e.g. smartphone or tablet) to: (a) authorize the Credit Union to issue payments on Your behalf; and (b) check the status of payments previously authorized through Bill Pay. In order to use Bill Pay for such transactions, You must have a share draft Account with Us. By completing a Bill Pay transaction request, You authorize Us to post any such payments to Your share draft Account. Payments will be made by check or electronic transfer and will be sent to the payee on the business day You designate it be sent. Requests for payments to be sent on the same day as the date of Your request must be received by Us not later than the cut-off time for the current business day in order for it to be sent that business day. If You schedule a payment to be paid before 4:00 p.m. Eastern Standard Time, on a business day that We are open, We will consider that day to be the day of Your request. However, if You schedule a payment to be paid after 4:00 p.m. Eastern Standard Time, or on a day We are not open, We will consider that the request was made on the next business day We are open. The Credit Union cannot guarantee the time any payment will reach any of Your payees and accepts no liability for any service fees or late charges levied against You. Payments requested to be sent on dates that do not exist in a given month (e.g. February 30th or April 31st), or fall on Saturdays, Sundays, federal reserve and other Credit Union observed holidays will be sent on the last calendar day of such month.

E-CHECK TRANSACTIONS. You may authorize a merchant or other payee to make a one-time electronic payment from Your checking Account using information from Your check ("E-Check") to: (a) pay for purchases; or (b) pay bills.

OWNERSHIP OF ACCESS DEVICES. Your Card and/or any other Account access device will remain Our property and any such Card or other Account access device We may issue may be cancelled or its use restricted by Us at any time without notice, except as may be required by applicable law. You agree to surrender any such Card and/or access device and to discontinue its use immediately upon Our request. You will be required to return any Account access device(s) to Us immediately upon the closing of Your Account.

NOTIFICATION OF PRE-AUTHORIZED DEPOSITS. If You have arranged to have direct deposits made to Your Account at least once every 60 days (from Your employer, the federal government or other payor), You can call Us at (570) 342-2720, to find out whether or not the deposit has been made.

RIGHT TO STOP PRE-AUTHORIZED PAYMENTS. If You want to stop any pre-authorized payments, call Us at (570) 342-2720, or write to Us at 851 Commerce

ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE (continued)

Boulevard, Dickson City, PA 18411 in time for Us to receive Your stop payment 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. To be sure that a third party does not bill You again for the "stopped" payment or to cancel the entire pre-authorized payment arrangement, contact the third party.

NOTICE OF VARYING AMOUNTS. If regular pre-authorized 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.

OUR LIABILITY FOR FAILURE TO STOP PAYMENT. If You order Us to place a stop payment on one of Your pre-authorized payments 3 business days or more before the transfer is scheduled, and We do not do so, We will be liable for losses or damages, to the extent provided by law.

TRANSACTION SLIPS. Except for mail-in transactions and certain small-value transactions, You can get a receipt at the time You make any transaction to or from Your Account through the use of Your Card. When an electronic fund transfer has been made during any given month, You will receive a monthly statement to reflect all electronic fund transfers to or from Your Account during that statement period. In any case, You will receive a statement at least quarterly.

FEES. We may assess reasonable charges against Your Account for transactions performed at electronic terminals. If so, We will specify any charges for these or other types of electronic transactions, including automatic transfers, on an accompanying pricing document. We will explain the charges to You when You open Your Account. You will be provided with a fee schedule, and other specified information after Your Account is established. Additional fee schedules are available at any of Our office locations. When You use an ATM not owned by Us, You may be charged a fee by the ATM operator, or any network used, and You may be charged a fee for a balance inquiry even if You do not complete a fund transfer.

LIABILITY FOR FAILURE TO COMPLETE TRANSACTIONS. If We do not properly complete a transaction to or from Your Account according to this Agreement, We will be liable for Your losses or damages. However, We will not be liable if: (a) Your Account does not contain enough available funds to make the transaction through no fault of Ours; (b) the ATM where You are making the transfer does not have enough cash; (c) the terminal was not working properly and You knew about the breakdown when You started the transaction; (d) circumstances beyond Our control prevent the transaction despite reasonable precautions that We have taken; (e) Your Card is retrieved or retained by an ATM; (f) Your Card or PIN has been reported lost or stolen and We have blocked the Account; (g) the money in Your Account is subject to legal process or other claim; (h) there are other lawful exceptions established by Us and You are given proper advance notice of them; (i) You exceed any limits on Your Account; and (j) the MasterCard Debit Card network does not allow the transaction to proceed due to anti-fraud or similar consumer protections employed by that network.

LIABILITY FOR UNAUTHORIZED USE. Telephone Us at once at (570) 342-2720, or write to Us at 851 Commerce Boulevard, Dickson City, PA 18411 if You believe Your Card or PIN have been lost or stolen or if you believe that an electronic fund transfer has been made without Your permission using information from Your check. Telephoning is the best way of keeping Your possible losses down. You could lose all of the money in Your Account (plus Your maximum overdraft line of credit, if applicable). If You tell Us within 2 business days after You learn of the loss or theft of Your Card or PIN, You can lose no more than \$50.00 if someone uses Your Card or PIN without Your permission.

If You fail to tell Us within 2 business days after You learn of the loss or theft of Your Card or PIN and We can prove that We could have stopped someone from using Your Card or PIN without Your permission if You had told Us, then You could lose as much as \$500.00.

Also, if Your statement shows transfers that You did not make, including those made by Card, PIN or other means, You will 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 valid reason (such as a long trip or hospital stay) keeps You from giving Us notice, We will extend the time periods.

Exception: You will have no liability for the unauthorized use of Your Card as long as You used reasonable care in safeguarding Your Card from loss or theft

and, upon becoming aware of such loss or theft, promptly report that loss or theft to the Credit Union. **This exception does not apply to a transaction conducted with a Card that is: (a) issued to an entity other than a natural person; (b) issued for a commercial purpose, except to the extent that such exception shall apply to transactions conducted for a small-business program; and (c) issued to a person until such time as that person's identity is registered by or on behalf of the Credit Union in connection with such issuance, which registration may include customer identification program requirements.**

IN CASE OF ERRORS OR IF YOU HAVE QUESTIONS ABOUT ELECTRONIC TRANSFERS. Telephone Us at (570) 342-2720, or write to Us at 851 Commerce Boulevard, Dickson City, PA 18411 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 the statement or receipt. We must hear from You no later than 60 days after We send You the first statement on which the problem or error appeared.

- (1) Tell Us Your name and Account number.
- (2) 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.
- (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. We will determine whether an error occurred 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 credit 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 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, or foreign-initiated transactions, 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 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.

UNAUTHORIZED TRANSFERS. To report a lost or stolen Card, PIN, Access Code or any combination thereof, You will call Us at (570) 342-2720. You may also report the loss of a Card, PIN, Access Code or any combination thereof, by writing to Us at 851 Commerce Boulevard, Dickson City, PA 18411. 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.

FOREIGN TRANSACTIONS. For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be: (a) a rate selected by MasterCard Debit Card from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard Debit Card itself receives; or (b) the government-mandated rate in effect for the applicable central processing date. In each instance You will be charged 8/10th of 1.00% calculated on the final settlement amount for transactions that are initiated in foreign countries, and if Your transaction is also initiated in a foreign currency You will be charged an additional 2/10th of 1.00% calculated on the final converted settlement amount.

DISCLOSURE OF ACCOUNT INFORMATION. We may disclose information to third parties about Your Account or transfers You make: (1) when it is necessary to complete an electronic transaction; or (2) in order to verify the existence and conditions of Your Account for a third party such as a credit bureau or merchant; or (3) in order to comply with a government agency or court order, or any legal process; or (4) if You give Us written permission.

TERMINATION. We may terminate Your right to use Your Card, PIN or Access Code, or cancel this Agreement at any time upon written notice. You may request termination of these services in writing.

CHANGE IN TERMS. We may change the terms and charges for the services shown in this Agreement and may amend this Agreement from time to time upon proper notice to You.

GOVERNING LAW. This Agreement is controlled and governed by the laws of the Commonwealth of Pennsylvania, except to the extent that such laws are inconsistent with controlling federal law.

FUNDS AVAILABILITY POLICY DISCLOSURE

EXCEPT FOR CHECKS DRAWN ON FOREIGN BANKS IN FOREIGN COUNTRIES, THIS DISCLOSURE DESCRIBES YOUR ABILITY TO WITHDRAW FUNDS FROM TRANSACTION ACCOUNTS AT PENN EAST FEDERAL CREDIT UNION. YOU SHOULD ALSO REFER TO THE SECTION OF THESE AGREEMENTS AND DISCLOSURES THAT DESCRIBES THE DETAILS OF YOUR SPECIFIC ACCOUNT TYPE FOR ADDITIONAL INFORMATION.

Your Ability To Withdraw Funds. Our policy is to delay the availability of funds from Your cash and check deposits. During the delay, You may not withdraw the funds in cash and We will not use the funds to pay checks that You have written.

Determining the Availability Of A Deposit. The length of the delay is counted in business days from the day of Your deposit. For determining the availability of Your deposits, every day is a business day except Saturdays, Sundays, and federal holidays.

Except for deposits made at ATMs owned and operated by the Credit Union, If You make a deposit prior to closing on a business day that We are open, We will consider that day to be the day of Your deposit. However, if You make a deposit after closing or on a day We are not open, We will consider that the deposit was made on the next business day We are open.

For deposits made at ATMs owned and operated by the Credit Union, if You make a deposit prior to 3:00 p.m. on a business day that We are open, We will consider that day to be the day of Your deposit. However, if You make a deposit after 3:00 p.m. or on a day We are not open, We will consider that the deposit was made on the next business day We are open.

The length of the delay varies depending on the type of deposit and is explained below.

Same-Day Availability

Funds from the following types of deposits will be available on the day We receive the deposit:

- Funds from electronic direct deposits to Your Account.

Next-Day Availability

Funds from the following types of deposits will be available on the 1st business day after the day of Your deposit:

- U.S. Treasury checks that are payable to You.
- Wire transfers.
- Checks drawn on Us.

If You make the deposit in person to one of Our employees, funds from the following deposits are also available on the 1st business day after the day of Your deposit:

- Cash.
- State and local government checks that are payable to You.
- Cashier's, certified, and teller's checks that are payable to You.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to You.

If You do not make Your deposit in person to one of Our employees (for example, if You mail the deposit), funds from these deposits will be available on the 2nd business day after the day We receive Your deposit.

Other Check Deposits

The first \$225.00 of other check deposits will be available on the 1st business day after the day of Your deposit. The remaining funds will be available on the 2nd business day after the day of Your deposit. For example, if You deposit a check of \$700.00 on a Monday, \$225.00 of the deposit is available on Tuesday. The remaining \$475.00 is available on Wednesday.

Longer Delays May Apply. Funds You deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check You deposit will not be paid.
- You deposit checks totaling more than \$5,525.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn Your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communication equipment.

We will notify You if We delay Your ability to withdraw funds for any of these reasons, and We will tell You when the funds will be available. They will generally be available no later than the 7th business day following the day of Your deposit. In any case, We reserve the right to refuse an item for deposit or encashment.

Special Rules For New Accounts. If You are a new member, the following special rules will apply during the first 30 days Your Account is open. Funds from electronic direct deposits to Your Account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers and the first \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the 1st business day after the day of Your deposit if the deposit meets certain conditions. For example, the checks must be payable to You. The excess over \$5,525.00 will be available on the 9th business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,525.00 will not be available until the 2nd business day after the day of Your deposit. Funds from all other check deposits will be available on the 9th business day after the day of Your deposit.

ATM Deposits. For deposits made at ATMs owned and operated by the Credit Union, deposits will become available for withdrawal on the 2nd business day following the day of deposit. For deposits made at ATMs not owned and operated by the Credit Union, deposits will become available for withdrawal on the 5th business day following the day of deposit. All ATMs that We own or operate are identified as Our machines.

Holds on Other Funds. If We cash a check for You that is drawn on another institution, We may withhold the availability of a corresponding amount of funds that are already in Your Account. Those funds will be available to You at the time that the funds from the check We cashed for You would have been available if You had deposited it. If We accept for deposit a check that is drawn on another institution, We may make funds from the deposit available for withdrawal immediately but delay Your availability to withdraw a corresponding amount of funds that You have on deposit in another account with Us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this policy for the type of check that You deposited.

Location of Check Endorsements. Federal law requires all check endorsements to be in the first 1-1/2 inches of the trailing edge of the back of the check. The trailing edge is opposite the left side of the face of the check, the side of the check just behind Our address. You will be responsible for any costs incurred by Us due to delays in returning checks deposited into Your Account that do not comply with the endorsement standards.

Dividend And Interest Payment Policy. See the Account Disclosures section in these Agreements and Disclosures for Our policy on the payment of dividends and interest.

WIRE TRANSFER AGREEMENT

THESE ARE THE TERMS AND CONDITIONS WHENEVER YOU REQUEST A WIRE TRANSFER OF FUNDS FROM YOUR ACCOUNT(S) WITH US BASED UPON YOUR ORAL OR WRITTEN REQUEST. WE WILL PROVIDE WIRE TRANSFER SERVICES AS A MEANS TO INITIATE DOMESTIC AND INTERNATIONAL TRANSFERS FOR YOU, SUBJECT TO THE TERMS OF THIS AGREEMENT, WHICH YOU AGREED TO BY SIGNING YOUR APPLICATION FOR MEMBERSHIP WITH US AT THE TIME THAT YOUR ACCOUNT WAS ESTABLISHED.

This Wire Transfer Agreement applies to wire transfers that are not "Remittance Transfers" as defined in the Electronic Fund Transfer Act (15 U.S.C. 1693o-1) and Regulation E, Subpart B (12 CFR 1005.30 *et seq.*).

We are authorized to charge Your Account for the payment of wire transfer requests. If more than one Account(s) is designated, We may charge any of the designated Accounts unless You give Us specific written directions otherwise. Your transfer requests may involve the transfer of funds from any of Your designated Accounts with Us to another account You have with Us, to any other financial institution, or to a third party or account of a third party maintained with

Us or any other financial institution. There are no restrictions or limitations on the amounts which may be ordered or requested, or on the location or address of the beneficiary of a transfer unless You give Us written instructions to the contrary.

The party(ies) named in Your application for membership are the Authorized Persons who may issue payment orders to Us for the initiation of wire transfers or to receive telephone calls from Us, in accordance with this Agreement, for the purpose of confirming payment orders for the initiation of wire transfers which have been transmitted to Us under this Agreement for any Account designated in Your application for membership. For confirmation purposes, We may call any party

WIRE TRANSFER AGREEMENT (continued)

designated in Your application for membership. If more than one Authorized Person is named, any one of them may issue payment orders on any designated Account.

Wire transfer requests must be given to Us in compliance with Our cut-off hours as established from time to time by Us. We are not responsible for the accuracy of a routing number which You supply verbally and which is contained in Your wire transfer request. Wire transfer requests received by Us after Our cut-off hours may be treated as if received on the following business day.

We have no obligation to accept or execute any wire transfer request. We will provide You telephonic notice of rejection. If We are unable to reach You by telephone, We may at Our option give You notice of rejection in writing.

If We accept a wire transfer request consistent with this Agreement, You agree that any such transfer requests which We receive are effective as Your transfer request, whether or not authorized.

You will have no right to cancel or amend a payment order to initiate a wire transfer after We receive it. We will make a reasonable effort to act on a cancellation or amendment of a payment order made by You prior to the time that We execute such payment order, but We have no liability if Your cancellation or amendment is ineffective.

You agree to re-execute this Agreement or to execute a new agreement if changes are necessary. Your application for membership designates any Account which may be charged in relation to wire transfer requests. All parties which You have authorized to issue wire transfer requests or to receive telephonic confirmations from Us are identified in Your application for membership. All modifications or additions to Your application for membership must be in writing.

You agree to pay Us the amount of any transfer request which We transmit pursuant to this Agreement when We execute a payment order to carry out Your wire transfer request. You will not make any wire transfer request which would cause You to exceed the available balance in the Account designated to pay the transfer request. If a payment order is executed which creates an overdraft, with or without Our prior consent, You agree to pay Us the overdraft amount and any overdraft fee immediately upon Our demand. We have the right to set-off the amount of any overdraft against the balance in any of Your accounts with Us and We may exercise any rights We have under any agreements which grant Us security for the payment of Your liabilities or obligations to Us.

You understand and agree that the payment of a wire transfer request may be made by Us or any other financial institution used to carry out the transfer request on the basis of an identifying or account number which You have provided for a beneficiary, even if the number identifies a person different from Your intended beneficiary. You also understand and agree that We or any other financial institution used to carry out a transfer request, may rely on the identifying number of the intermediary or beneficiary's financial institution which You have provided as the proper identification of the intermediary or beneficiary's financial institution, even if the number identifies a financial institution different from the one You intended to identify. We or any other financial institution are not responsible for determining whether any identifying or account numbers You have provided to initiate a wire transfer are accurate. You will be liable to Us for the amount of any transfer request even if payment of the transfer request is made to a person different from the named beneficiary based upon the beneficiary's identifying or account number provided by You or payment of the transfer request is made to a financial institution different from the one identified by name based on the identifying number which You have provided to Us.

You agree to examine any statement or confirmation which We send You and to notify Us within 30 days after the mailing date on any statement or confirmation, of any discrepancy or error. If You fail to notify Us of any discrepancy or error within the required time period, You agree that We are not liable to pay interest or reimburse You for any discrepancy or error in relation to a transfer request described in such statement or confirmation.

You and the Credit Union agree that the following specified security procedures represent a commercially reasonable method of providing security against

unauthorized payment orders: (a) Only individuals named in Your application for membership shall issue wire transfer requests to Us; and (b) We reserve the right to telephonically contact any individual named in Your application for membership for the purpose of confirming a transfer request, regardless of amount, although We have no obligation to do so. If We cannot obtain a confirmation satisfactory to Us, then We reserve the right to refuse to honor any wire transfer request.

We have no responsibility to verify the identity of any party identifying themselves as an individual authorized to receive a telephonic confirmation of any wire transfer request, other than to verify that the name given by such party corresponds to a party named in Your application for membership. If, for any reason, We are not satisfied that a wire transfer request was issued by an authorized party or confirmed by an authorized party, We may refuse to execute the transfer request. If We do so, We shall not incur any liability of any nature. You agree to prevent disclosure, other than on a need-to-know basis, of any of the aspects of the security procedures which You have agreed to with Us. You will notify Us immediately if You believe the confidentiality of the security procedures has been compromised and You shall act to prevent the security procedures from being further compromised.

We have no liability of any nature for delays or mistakes, provided We act in good faith and with reasonable care. We are not responsible for delays or mistakes caused by other parties through whom We transmit funds whether such other parties were selected by You or Us. We are not required to make a wire transfer on the day a wire transfer request is received, unless the wire transfer request is received within a reasonable time before any cut-off hour We have established. We will generally use the funds transfer system, but We may use any means and routes that We, in Our sole discretion, consider suitable for the transmission of funds.

You agree that We have no liability and are not responsible for any delay or failure to transfer any amount specified in any wire transfer request because of rules, regulations, or policies of the Federal Reserve Board which limits, in the aggregate, the amount We can transfer from time to time during any business day, provided, however, that We will promptly notify You of any such failure or delay and will effectuate the transfer as soon as is reasonably possible.

We shall have no liability whatsoever for any special, consequential, punitive, or indirect loss or damage suffered by You in connection with services offered by Us which are subject to this Agreement, regardless of whether We know or should have known such damages might be incurred. We have no responsibility for any attorneys' fees that You might incur.

We may terminate this Agreement at any time by giving written or oral notice to You. Unless We terminate this Agreement, the Agreement shall remain in effect until We receive written notice of termination from You and have been afforded a reasonable opportunity to act on Your termination notice. You may not assign this Agreement to any other party.

This Agreement is governed by the provisions of Regulation J, 12 CFR Part 210, Subpart B, including the Appendices, to the extent that any wire transfer request is carried out. Terms which are not defined in this Agreement shall have the same meaning as defined in the Uniform Commercial Code Article 4A. This Agreement is also subject to all applicable Operating Circulars of the Federal Reserve Bank in the district in which We are located and any other applicable provisions of federal or state law. To the extent that Regulation J does not apply to this Agreement, this Agreement shall be governed by the laws of the state in which We are chartered.

We may amend this Agreement, from time to time, by sending You a copy of any amendment at least 30 days prior to its effective date. This Agreement may also be amended by a writing signed by You and Us. No representation or statement not expressly contained in this Agreement or in any amendment shall be binding upon You or Us.

If any provision of this Agreement is prohibited by applicable law, such prohibition shall apply only to that provision and all other provisions of the Agreement shall remain in full force and effect.

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FACTS

WHAT DOES PENN EAST FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share Your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires Us to tell You how We collect, share, and protect Your personal information. Please read this notice carefully to understand what We do.	
What?	<p>The types of personal information We collect and share depend on the product or service You have with Us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and assets • credit history and credit scores • income and employment information 	
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, We list the reasons financial companies can share their customers' personal information, the reasons Penn East Federal Credit Union chooses to share, and whether You can limit this sharing.	
Reasons We can share Your personal information	Does the Credit Union share?	Can You limit this sharing?
For Our everyday business purposes - such as to process Your transactions, maintain Your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
For Our marketing purposes - to offer Our products and services to You	YES	NO
For joint marketing with other financial companies	NO	WE DON'T SHARE
For Our affiliates' everyday business purposes - information about Your transactions and experiences	NO	WE DON'T SHARE
For Our affiliates' everyday business purposes - information about Your creditworthiness	NO	WE DON'T SHARE
For non-affiliates to market to You	YES	YES
To limit Our sharing	<ul style="list-style-type: none"> • Mail the form below <p>Please note:</p> <p>If You are a <i>new</i> member, We can begin sharing Your information 30 days from the date We sent this notice. When You are <i>no longer</i> Our member, We continue to share Your information as described in this notice.</p> <p>However, You can contact Us at any time to limit Our sharing.</p>	
Questions?	Call (570) 342-2720	

✂ _____

Mail-in Form		
<p>Mark any/all You want to limit:</p> <p><input type="checkbox"/> Do not share my personal information with non-affiliates to market their products and services to me.</p>		
<p>Name</p> <p>Address</p> <p>City, State ZIP</p> <p>Account Number(s)</p>		<p>Mail to:</p> <p>Penn East Federal Credit Union</p> <p>851 Commerce Boulevard</p> <p>Dickson City, PA 18411</p>

What We do	
How does Penn East Federal Credit Union protect my personal information?	To protect Your personal information from unauthorized access and use, We use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Penn East Federal Credit Union collect my personal information?	<p>We collect Your personal information, for example, when You</p> <ul style="list-style-type: none"> • open an account or deposit money • pay Your bills or apply for a loan • use Your credit or debit card <p>We also collect Your personal information from others, such as credit bureaus, affiliates, or others.</p>
Why can't I limit all sharing?	<p>Federal law gives You the right to limit only</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes - information about Your creditworthiness • affiliates from using Your information to market to You • sharing for non-affiliates to market to You <p>State laws and individual companies may give You additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on Your account.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • <i>Penn East Federal Credit Union has no affiliates.</i>
Non-Affiliates	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • <i>Non-affiliates We share with can include consumer reporting agencies, data processors, check/share draft processors, financial statement publishers, plastic card processors, and Government agencies.</i>
Joint Marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to You.</p> <ul style="list-style-type: none"> • <i>Penn East Federal Credit Union doesn't jointly market.</i>

What you need to know about overdrafts and overdraft fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to another account or a line of credit, which may be less costly than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments

We will not authorize and pay overdrafts for the following types of transactions without your consent

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay for any type of transaction. **If we do not authorize and pay an overdraft, your transaction will be declined.**

What fees will I be charged if Penn East Federal Credit Union pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of up to **\$29** each time we pay an overdraft if your account is overdrawn
- We will not charge you a fee if the item presented is \$1 or less
- **There is a limit** of \$87 per day on the total fees we can charge you for overdrawing your account

What if I want Penn East Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call (570) 342-2720, visit our website at www.penneastfcu.org, send a secured message through Online Banking, complete the form below and present it at a branch or mail it to: 851 Commerce Blvd. Dickson City, PA 18519. You can revoke your authorization for Penn East Federal Credit Union to pay these overdrafts at any time by any of the above methods. Your revocation must include both your name and your account number so that we can properly identify your account.

_____ **I do not** want Penn East Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

_____ **I want** Penn East Federal Credit Union to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____

Date: _____

Account Number: _____

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CHECK 21 DISCLOSURE

*Important information about your **checking account**, **substitute checks**, and **your rights**.*

What is a substitute check?

To make check processing faster, federal laws permit banks to replace original checks with “substitute checks.”

These checks are similar in size to the original checks, with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment, just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks. This notice describes the rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you used this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we receive your claim.

We may reverse the refund (including any interest on the refund) if we are later able to demonstrate that the substitute check was correctly posted to your account.

How to make a claim for an expedited refund:

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Penn East Federal Credit Union
851 Commerce Blvd., Dickson City, PA 18519
570-342-2720

You must contact the credit union within 40 calendar days of the date that we made the substitute check in question available to you or the account statement showing the amount that you are disputing, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your expedited refund claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount you have lost because of the substitute check charge;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or provide us with the following information to help identify the substitute check; the check number, the name of the person to whom you wrote the check, the amount of the check.



OVERDRAFT COVERAGE OPTIONS: OVERDRAFT TRANSFER, OVERDRAFT LINE OF CREDIT LOAN, AND COURTESY PAY COVERAGE FOR UNEXPECTED OVERDRAFTS

Life happens! Penn East Federal Credit Union understands that unexpected overdrafts occur from time to time – Overdraft Coverage can help.

WHAT ARE MY OVERDRAFT COVERAGE OPTIONS?

The choice is yours. Consider these ways to cover overdrafts:

Overdraft Transfer*	\$4 fee per transfer (Advantage and Premier Checking no charge)
Overdraft Line of Credit Loan*	Subject to interest**
Courtesy Pay	\$29 per item

**Contact us at (570) 342-2720, Send a secured message through Online Banking, or come by a branch to sign up or apply for these services. **Subject to credit approval.*

WHAT IS OVERDRAFT TRANSFER AND OVERDRAFT LINE OF CREDIT LOAN?

Overdraft Transfer and an Overdraft Line of Credit Loan applies to all types of transactions and may help protect your account from being overdrawn by automatically transferring funds to your checking account from another account or line of credit you may have at Penn East Federal Credit Union, for a fee or finance charge. Please note that overdraft lines of credit are subject to credit approval.

WHAT IS COURTESY PAY?

Courtesy Pay allows you to overdraw your account up to the disclosed limit for a fee to pay a transaction.

Penn East Federal Credit Union may provide you a specific Courtesy Pay limit depending on the type of account you have. New consumer accounts may receive \$100 Courtesy Pay limit at account opening, which can increase to \$500 Courtesy Pay limit after 30 days in good standing. New Business accounts will receive a \$750 Courtesy Pay limit after 30 days in good standing.

Even if you have Overdraft Transfer and/or an Overdraft Line of Credit Loan, Courtesy Pay is still available as secondary coverage if the other protection sources are exhausted.

Please be aware that the Courtesy Pay amount is not included in your available balance displayed through online banking, mobile banking, telephone banking, or Penn East Federal Credit Union ATMs.

WHAT TYPES OF TRANSACTIONS DOES COURTESY PAY COVER?

The types of transactions covered by Courtesy Pay depend on the coverage selected. See the chart below for more information.

If you choose Extended Coverage, all the transaction types listed in Standard Coverage are included, along with ATM transactions and everyday debit card transactions. Penn East Federal Credit Union will not authorize

overdrafts for everyday debit card and ATM transactions on consumer accounts unless you give us your consent to pay these overdrafts by electing Extended Coverage. Business accounts automatically have Courtesy Pay Extended Coverage.

	Standard Coverage (No action required)	Extended Coverage (Your consent required*)
Checks	X	X
ACH – Automatic Debits	X	X
Recurring Debit Card Payments	X	X
Online Bill Pay Items	X	X
Telephone Banking	X	X
At the Teller Window	X	X
ATM Transactions		X*
Everyday Debit Card Transactions		X*

HOW MUCH DOES COURTESY PAY COST?

When Courtesy Pay is used, the Courtesy Pay Fee of \$29 will be imposed for overdrafts created by checks, ACH, point-of-sale, ATM transactions, in-person withdrawals, or by other electronic means if your account is overdrawn. If your consumer account is overdrawn the Courtesy Pay Fee is \$29. If the amount of an item on your consumer account is \$1 or less, a Courtesy Pay Fee will not be charged. If multiple items overdraw your account on the same day, not to exceed \$87 (3 charges) per day, each item will be assessed the appropriate fee. This is the same fee that Penn East Federal Credit Union charges for items returned to the payee due to insufficient funds.

If an item is returned because the available balance in your account is not sufficient to cover the item and the item is presented for payment again, Penn East Federal Credit Union will charge a return item fee each time it returns the item because it exceeds the available balance in your account. If, on representation of the item, the available balance in your account is sufficient to cover the item Penn East Federal Credit Union may pay the item, and, if payment causes an overdraft, charge a courtesy pay fee.

The maximum amount of Courtesy Pay Fees that we will charge to your consumer account is \$87 per day. We will not charge a Courtesy Pay Fee if the amount of the item is \$1 or less.

All fees and charges will be included as part of the Courtesy Pay limit amount. Your account may become overdrawn in excess of the Courtesy Pay limit amount as a result of the assessment of a fee. The total negative balance, including all fees and charges, is due and payable upon demand. Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Agreements and Disclosures.

WHAT IF I DON'T WANT COURTESY PAY?

You can request to discontinue Courtesy Pay service in its entirety at any time by contacting us at (570) 342-2720 or Send a secured message through Online Banking. Without Courtesy Pay, your insufficient funds items will be returned to the payee and/or declined at the point of purchase, unless you have Overdraft Transfer or Overdraft Line of Credit Loan available to cover the item(s). You will be charged the standard NSF Fee of \$29 for all returned items.

WHAT IF I WANT PENN EAST FCU TO PAY MY ATM AND EVERYDAY DEBIT CARD OVERDRAFTS (EXTENDED COVERAGE)?

If you want us to authorize and pay overdrafts caused by ATM and everyday debit card transactions (Extended Coverage), tell us by using one of the methods below.

- Call us at (570) 342-2720
- Visit our website at www.penneastfcu.org
- Visit one of our convenient branch locations
- Complete the Consent Form, which is available at any branch and was previously provided to you, and mail it to us at 851 Commerce Blvd. Dickson City, PA 18519
- Send a secured message through Online Banking
- NOTE: Business accounts automatically have access to Courtesy Pay for ATM and everyday debit card transactions (Extended Coverage).

WHAT ELSE DO I NEED TO KNOW?

- Our general policy is to post items throughout the day and to post credits before debits. ACH and Checking items are posted in the order they are received from the FED. ATM and debit card transactions are posted throughout the day. However, because of the many ways we allow you to access your account, the posting order of individual items may differ from these general policies. Holds on funds (described herein) and the order in which transactions are posted may impact the total amount of Courtesy Pay Fees or NSF Fees assessed.
- A single larger overdraft will result in just one fee, as opposed to multiple smaller overdrafts.
- Although under payment system rules, Penn East Federal Credit Union may be obligated to pay some unauthorized debit card transactions, Penn East Federal Credit Union will not authorize debit card or ATM transactions unless your account's available balance (including overdraft coverage options) is sufficient to cover the transactions and the amount of any fee(s).
- Giving us your consent to pay everyday debit card and ATM overdrafts on your consumer account (Extended Coverage) may result in you incurring Courtesy Pay Fees for transactions that we would otherwise be required to pay without assessing a Courtesy Pay Fee. However, this would allow us to authorize transactions up to the amount of your Courtesy Pay limit and may also help you avoid overdrafts in excess of your available balance that could result in suspension of your debit card. If you consent to Extended Coverage on your consumer account, it will remain on your account until it is otherwise withdrawn.
- Penn East Federal Credit Union authorizes and pays transactions using the available balance in your account. Penn East Federal Credit Union may place a hold on deposited funds in accordance with our Agreements and Disclosures, which will reduce the amount in your available balance. The available balance for checks, ACH items, and recurring debit card transactions is comprised of the ledger balance, less any holds on deposited funds and any debit card holds, plus the amount of the Courtesy Pay limit and any available Overdraft Transfer and/or Overdraft Line of Credit Loan. The available balance for ATM and everyday debit card transactions on accounts with Standard Coverage is the ledger balance, less any holds on deposited funds and any debit card holds, plus any available Overdraft Transfer and/or Overdraft Line of Credit Loan, but does NOT include the Courtesy Pay Limit. For accounts with Extended Coverage, the Courtesy Pay Limit is included in the available balance for authorizing ATM and everyday debit card transactions.
- Penn East Federal Credit Union will place a hold on your account for any authorized debit card transaction until the transaction settles (usually within two business days) or as permitted by payment system rules. In some cases, the hold may exceed the amount of the transaction. When the hold ends, the funds will be added to the available balance in your account. If your account is overdrawn after the held funds are

added to the available balance and the transaction is posted to the available balance, a Courtesy Pay Fee may be assessed.

- Except as described in this packet Penn East Federal Credit Union will not pay items if the available balance in your account (including the Courtesy Pay limit, if applicable) is not sufficient to cover the item(s) and the amount of any fee(s).
- Penn East Federal Credit Union may suspend your debit card use if you incur overdrafts in excess of the available balance in your account including any Courtesy Pay limit (as described in this packet). Debit cards on your account will remain suspended until you make sufficient deposits so that your available balance, taking into account any Courtesy Pay limit, is positive and then you contact us.
- Penn East Federal Credit Union may also suspend your debit card if your account is overdrawn more than 30 consecutive calendar days. Debit cards on your account will remain suspended until you make sufficient deposits so that your account balance is positive.
- If your debit card(s) is suspended, you will be unable to use your debit card(s) associated with your account for purchases or access any of your accounts associated with your debit cards at the ATM for balance inquires, deposits, or withdrawals while your debit card is suspended. If you use your debit card for recurring payments, e.g., utilities, you are responsible to make other arrangements for your recurring debit payment(s).
- Courtesy Pay is not a line of credit; it is a discretionary overdraft service that can be revoked at any time without prior notice.
- Courtesy Pay may be suspended if you default on any loan or other obligation to us, your account becomes subject to any legal or administrative order or levy, or if you fail to maintain your account in good standing by not bringing your account to a positive balance within 30 days for a minimum of one full calendar day. You must bring your account balance positive for at least one full calendar day to have the full Courtesy Pay limit reinstated.

OVERDRAFT TRANSFER, OVERDRAFT LINE OF CREDIT LOAN, AND COURTESY PAY SUMMARY

- Overdraft Transfer and Overdraft Line of Credit Loan services allow you to link other sources you have with Penn East Federal Credit Union to your checking account to prevent overdrafts and may be less expensive options than an overdraft.
- Courtesy Pay allows you to overdraw your account for a fee of \$29 to pay a transaction if your balance is overdrawn. If the amount of an item on your consumer account is \$1 or less, a Courtesy Pay Fee will not be charged.
- Courtesy Pay limits up to \$100 may be granted to eligible consumer checking accounts at account opening, which can increase to \$500 Courtesy Pay limit after 30 days in good standing.
- Courtesy Pay limits up to \$750 will be granted to eligible Business accounts opened at least 30 days in good standing.
- Courtesy Pay Standard Coverage covers checks, ACH transactions (automatic debits), online bill items, teller window transactions, telephone and online banking transactions, and recurring debit card transactions (automatic/pre-authorized debits that you establish (insurance premiums, utility bills, etc.)).
- Courtesy Pay Extended Coverage covers ATM transactions and everyday debit card transactions on your personal accounts with your prior consent, in addition to those transactions covered by Courtesy Pay Standard Coverage. Business accounts automatically have Courtesy Pay Extended Coverage.
- Overdraft Transfer, Overdraft Line of Credit Loan, and Courtesy Pay may enable you to avoid expensive merchant returned-check charges.
- Overdraft Transfer, Overdraft Line of Credit Loan, and Courtesy Pay may enable you to avoid having your ATM or debit card transactions declined due to insufficient funds.
- You must deposit the full amount of the overdraft within 30 consecutive calendar days, including any fees assessed, and maintain a positive balance for at least one full calendar day to continue to receive the full Courtesy Pay limit.



- Good account management is the best way to avoid overdrafts. Use our mobile banking, online banking, or telephone banking services to help keep track of your balance.
- For additional financial education resources, please visit our website at www.penneastfcu.org or <https://ncua.gov/consumers/financial-literacy-resources>.

If you have questions about Overdraft Transfer, Overdraft Line of Credit Loan, or Courtesy Pay, please call us at (570) 342-2720.

Penn East FCU Branch Locations:

Scranton Office:	441 N. 7 th Ave	Scranton, PA 18503
Clarks Summit Office:	1070 Northern Blvd	Clarks Summit, PA 18411
Davis Street Office:	720 Davis St	Scranton, PA 18505
Tunkhannock Office:	12 East Tioga St	Tunkhannock, PA 18657
Factoryville Office:	10 College Ave	Factoryville, PA 18419
PEFCU Corporate Center:	851 Commerce Blvd	Dickson City, PA 18519
Call Center	570-342-2720	
Fax	570-342-4669	