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# Visa® Business Check Card Agreement

## Terms and Conditions

*Effective August 18, 2020*

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Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration (NCUA), a U.S. Government Agency.

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The rights and obligations of Adelfi ("Credit Union") and the Credit Union's member ("Company") are described below. Company agrees to the terms and conditions provided herein.

In this Agreement the term "Company" includes all depositors named as owner(s) of the accounts accessed by the Visa Business check card and anyone else that the owners permit to use the Visa Business check card ("Cardholders"). By using Credit Union's Visa Business check card, Company agrees to all of the terms and conditions set forth below. The Visa Business check card ("Card") is a debit card, and all ATM, purchase and Point of Sale ("POS") transactions with the Card will be deducted from the appropriate Company account. The Card is not a credit card, which means Company may not defer payment of transactions.

**1. Access Device Issuance.** Credit Union will issue one or more Cards, which may be used to access Company's account(s) that are linked to the Card ("Linked Accounts"). Company will specify each Linked Account on Company's application. Additional accounts may be linked by submitting a new application, addendum, or authorized written instructions. Company certifies that all accounts Linked to the Cards have been established for a purpose other than personal, family, or household use. Company may from time to time instruct Credit Union to issue new Cards or replacement Cards, or to retire outstanding or previously issued Cards.

Each Card will be issued in Company's name and that of the person designated in Company's application as an authorized user (a "Cardholder"). It will also bear a unique identifying number; it will include a field for the signature of the Cardholder, and the Cardholder will be given a personal identification number ("PIN") for ATM and POS transactions. A Card may be used with a PIN for POS and ATM transactions and without a PIN for Visa Business check card transactions. In Visa Business check card transactions, the signature of the named Cardholder may or may not be required (for example, no signature is required in Internet, telephone and other signature-less environments).

**2. Services.** Cards provided in connection with this Agreement may be used at participating ATMs or Visa locations.

**3. Dollar Limitations.** Credit Union reserves the right to impose dollar limitations on Company's Card transactions.

No direct access is available to any line of credit associated with a Linked Account. Company's available account balance must be sufficient to cover all withdrawal(s) and other transactions. Different dollar limitations may apply to different Visa Business check cards or Services; dollar limitations may vary across nonproprietary network ATMs, POS terminals, or merchant locations (if applicable).

Transactions may also be limited by the owner of the ATM or by a merchant, or by the operator of or any other participant in any system used in the transaction. Credit Union is not responsible for these limitations. Credit Union may, but is not required to, prevent transactions the effect of which would exceed the amount of available funds in the account being accessed at the time authorization is sought for the transaction or at any time prior to settlement by Credit Union on the transaction.

Card usage limitations may be affected by Credit Union's cut-off times. Transactions processed after a cut-off time on a business day, or on any day that is not a business day, are treated as occurring on the next business day.

This risk should be taken into account when authorizing limited authority cards to authorized user/cardholders. Credit Union is

not responsible for any such withdrawals, debits, or credit card POS charges to your account(s).

**4. Account Limitations.** Federal Regulations also limit certain types of transactions/transfers from a Money Market or Savings Account. Company is permitted to make no more than six (6) transfers and withdrawals, or combination of them, per calendar month or statement cycle, to another account or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction, and no more than three (3) of the six (6) may be made by check, draft, debit card, or similar order by Company and payable to third parties.

Please refer to the specific account type disclosure for a more complete description of these transaction/transfer limitations.

**5. Hold on Funds: Security Interest.** When a Cardholder uses a Card, a hold may be placed on funds in the Company's Linked Account. The hold may be for the amount of the transaction, or for a pre-established amount in excess of individual transactions (for example, hotel or car reservations). The held funds will not be available for other account purposes, and Credit Union has the right to return checks or other items drawn against the account to maintain sufficient funds to pay for any previously authorized Card transactions. The hold may be released on or before the date that the Card transaction is settled through the appropriate system (normally PLUS, STAR, or the Visa system), and Company agrees to maintain sufficient available funds on deposit in the affected account to cover all previously authorized transactions. The hold may continue even if Company does not purchase any goods or services for which authorization was obtained. If checks are returned, Company agrees to pay all applicable non-sufficient funds fees. Credit Union may, but is not obligated to, allow transactions, which exceed Company's available balance. If Credit Union does, Company agrees to pay the overdraft. Company also agrees to pay the overdraft charges in effect for each transaction, which causes Company's available account balance to be exceeded. If Credit Union allows transactions to be authorized or paid in excess of the available balance, Credit Union may discontinue that practice at any time for cause or without cause, and with or without notice to Company. Credit Union may honor withdrawals, checks, funds transfers, payment orders, Card transactions, or other account debits or activity in any order of payment Credit Union chooses, and may change the order of payment at any time with or without notice to Company.

Company grants to Credit Union a security interest in all accounts of Company at Credit Union, and in all funds in such accounts, to secure Company's obligations to Credit Union under this Agreement.

**6. Fees.** Credit Union may impose fees in connection with the services referenced under this Agreement as set forth in the *Ministry and Business Account Information and Fee Schedule* and any applicable fee schedule supplements. Transactions may be subject to service charges imposed by other financial institutions or by merchants. Credit Union reserves the right to modify its fees in connection with the services referenced under this Agreement. Company agrees to pay for all such fees or charges as they may change from time to time.

**7. Company's Representation and Warranties.** Company represents and warrants to Credit Union as follows:

- Company has all requisite power and authority to enter into this Agreement. The entering of the Agreement, and execution of the corresponding application incorporating the same, has been duly and validly authorized by all necessary action. Further, the individual or individuals

who execute the application for the services referenced under the Agreement on Company's behalf is each duly authorized by Company to do so;

- Any transaction referenced hereby will not be in violation of state or federal law and you agree to not use your Visa Business check card for illegal gambling or other illegal purposes; and
- All formalities will be followed with respect to each transfer of funds, including but not limited to, proper authorization of individual transactions and any record-keeping requirements with respect thereto.

**8. Company's Liability.** Use of the Card(s) or a PIN is controlled by Company and Credit Union.

Credit Union has no obligation or responsibility to limit Card use to individuals specified as "authorized signers" on a signature card for any Linked Account or to other individuals specifically identified by Company as authorized to use a Card or corresponding PIN.

Any use of a Card linked to a Company account with the Credit Union to obtain Services will be deemed to be an act of and the responsibility of Company. Company will be liable for all transactions made using a Card, PIN or Card number, or otherwise in connection with the services referenced under this Agreement. Company shall be responsible for such transactions conducted: (a) by or on behalf of any authorized individual, or for any authorized purpose, or by authorized person in conflict with any usage limitation established by Company; (b) using a valid PIN; or (c) in accordance with any rules or regulations of Visa, PLUS, STAR, CO-OP, the Credit Union, or any merchant. Without limiting the foregoing, Company is responsible for any and all transactions of any type processed through an authorized system if Credit Union receives transaction data identifying a Card, PIN, or other access device, as one issued to Company. For purposes of this Agreement, an authorized system is any system that will process transaction data for valid Cards (including Visa and any other POS or ATM system shown as a logo on any Card).

Company acknowledges that Company is responsible for all uses of a Card or PIN, and all transaction data received by the Credit Union that identifies an access device as a Company access device, whether or not the particular transaction was or was not authorized by Company. Company agrees to pay Credit Union for all transactions for which Company is liable under this Agreement, and authorizes Credit Union to charge any account of Company at Credit Union for the same (including all Linked Accounts).

Company's liability for all transaction data under this Agreement will continue until the time that all Cards are returned to Credit Union, or Company instructs Credit Union to cancel all Cards and Credit Union has had a reasonable opportunity to cancel all Cards. Credit Union may from time to time require closure of a Linked Account or accounts and re-issuance of one or more Cards as a means of preventing losses, and Company agrees to bear all costs associated with the same.

Issuance of the Card(s) provided pursuant to this Agreement creates an inherent risk of unauthorized use. Authorization for use of the Cards and any PIN(s) is not dependent upon or limited to either those individuals specified on the signature card for a Linked Account, or other individuals specifically authorized by Company to use a Card or PIN. Authorization for use of the Card(s) and corresponding PIN(s) will not be subject to review by Credit Union.

# Visa Business Check Card Agreement

Company acknowledges that the use of a PIN or signature in connection with a Card transaction provides a commercially reasonable degree of protection in light of the particular needs and circumstances of Company. Credit Union may verify the authenticity of a Card transaction in the name of Company using these security procedures, and the transaction will be effective as the transaction of Company, whether or not authorized.

Company warrants that it will not redistribute the Card(s) among individuals not named on the Card. Company further assumes any risk associated with disclosing PIN information to others, including, but not limited to, risks of loss associated with theft or embezzlement.

**PINless Visa Debit Card Transactions.** Company allows non-Visa debit transaction processing. This means Cardholder may use Card on a non-Visa network (also known as PIN-Debit Network) without using a PIN to authenticate transactions. Visa Operating Rules and Regulations generally define a PIN-Debit Network as a non-Visa debit network that typically authenticates transactions by use of a personal identification number (PIN), but that it is not generally known for having a card program.

There are two types of authenticated transactions when using a debit card: PIN and signature. In a PIN debit transaction, Cardholder enters a PIN to authorize the transaction. In a signature debit transaction, Cardholder signs a receipt. As a result of the changes to Visa's Operating Rules and Regulations, Cardholder may choose to purchase goods and services with their Visa Business check card through a PIN-Debit Network without the requirement of entering their PIN. The network that supports PINless transactions for the Credit Union is CO-OP Network.

An example of a PINless debit transaction would be a bill payment transaction; in initiating payment directly with the biller (possibly via telephone, Internet, or kiosk locations), Cardholder's identity is verified using known information instead of their PIN.

To initiate debit transactions on a Visa network, Cardholder may take the following steps when using their Card: signing a receipt at the point of sale, providing Card number over the phone or via the Internet, or swiping Card through a POS terminal, etc.

Cardholder understands that the terms and conditions of their agreement with Company relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's Zero Liability program), \$50.00 loss cap, provisional credit policies, and the streamlined error resolution procedures offered on Visa Business check card transactions are not applicable to transactions processed on a PIN-Debit Network.

**Limitations on Company's Liability.** Visa's Zero Liability Policy may provide Company with protection against unauthorized Visa Business check card transactions processed through the Visa network, including Internet and telephone purchases. If Company suspects that a Visa Business check card or Card number has been lost or stolen, they may not be responsible for any unauthorized purchases if the theft is reported promptly.

- a. Upon notification from Company of unauthorized Visa transactions, the Credit Union will limit your liability for those transactions to zero. The Credit Union may require such notification to be received within 60 calendar days of the mailing date of the first statement showing any unauthorized Visa transactions. In evaluating your claim, the Credit Union will consider whether negligence by Company or any Cardholder has contributed to the transactions in question. The Credit Union may increase this limit if, based on substantial evidence, it has reasonably determined that you were negligent or fraudulent in the handling of the Card or account.
- b. The Credit Union will provide you with provisional credit for unauthorized Visa transactions within five (5) business days from receipt of notification. Additionally, the Credit Union may require written confirmation of the unauthorized Visa transactions before providing provisional credit.

Note: The Credit Union defines an "unauthorized transaction" to exclude either or both of the following:

- a. Any transaction by a business co-owner, a Cardholder or person authorized by a Cardholder, or other person with an interest in or authority to transact business on the account.
- b. Any transaction by a Cardholder that exceeds the authority given by the Visa Business check card account owner.

**9. Credit Union's Liability.** Credit Union will not be liable for failure to detect or prevent any unauthorized use of a Card or for

invalid transactions using fraudulent Cards, provided, only that Company is not responsible for unauthorized transaction data provided to Credit Union unless Company, a Card, a Cardholder, or a Linked Account is associated with the transaction data. Credit Union will not be responsible for monitoring Card use or usage patterns. CREDIT UNION WILL NOT BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING UNDER ANY CLAIM IN CONTRACT OR TORT OR OTHERWISE, EVEN IF CREDIT UNION OR ITS AGENTS MAY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Without limiting the foregoing, Credit Union will not be liable for failure to complete any transaction under any of the following instances:

- a. If, through no fault of Credit Union, Company does not have enough money in the affected account to complete a transaction;
- b. The terminal where the transaction is initiated is damaged or not working properly;
- c. Circumstances beyond Credit Union's control (such as fire, flood, terrorism, power failure, computer breakdown) prevent the transaction;
- d. The funds in any Linked Account are subject to legal process, an uncollected funds hold, security interest, suspected fraud, or other claim;
- e. A Linked Account is frozen because of a delinquent loan or a dispute, or Credit Union receives inconsistent instructions regarding a Card or Linked Account from persons purporting to act on behalf of Company.

**10. Indemnification.** In addition to such other rights as Credit Union may otherwise have under this Agreement, Company will defend, indemnify, and hold harmless Credit Union, and its officers, directors, agents, and employees, from and against any and all actions, costs, claims, losses, damages, or expenses, including attorneys' fees and expenses, resulting from or arising out of the use of: (a) any Card, PIN or the signature of any person previously named as a Cardholder; (b) from Company's actions or inactions under this Agreement; or (c) as a result of Credit Union's receipt of any transaction data naming, identifying, or otherwise associated with Company, any Card, and Cardholder, any PIN or any other access device relating to the foregoing.

**11. Card and PIN Security.** Company and Cardholders agree not to disclose or otherwise make the Card(s) or corresponding PIN(s) issued in connection with this Agreement available to anyone not authorized by Company to engage in transactions using the same. Company shall use reasonable security procedures to protect against loss, theft, or misuse of a Card. Company agrees to notify Credit Union immediately if Company knows or suspects the confidentiality of any PIN has been compromised or any Card has been lost or stolen.

**12. Cards.** The Cards are the property of Credit Union. Company agrees to surrender all Cards to Credit Union upon request.

**13. Termination.** Company may terminate this Agreement upon 30 days written notification to Credit Union. Closure of a Linked Account will not terminate this Agreement or relieve Company of its obligation regarding Cards associated with that Linked Account. Credit Union reserves the right to terminate this Agreement or any service immediately, with or without cause and with or without notice of such termination to Company. Any termination of this Agreement shall not affect any of Company's obligations arising prior to such termination, including but not limited to any indemnification obligation that relates to action or inaction taken prior to termination. Credit Union may hold in reserve funds in any Linked or other Company account and prohibit access by Company to the same for up to the later of: (a) 270 days following termination of this Agreement; and (b) 90 days following the last day on which any return or other disputed amount regarding any Card transaction may be processed through Visa, PLUS, STAR, or other ATM system for return to Company.

**14. Change in Terms.** Credit Union may change the terms of this Agreement from time to time by sending a written notice or an amended Agreement to the last address shown in Credit Union's records for the corresponding Linked Account. Any such changes by Credit Union will be effective as of the day notice is sent.

**15. Disclosing Information to Third Parties.** Credit Union will disclose information to third parties about Company's account or the transfers Company makes under certain circumstances, including but not limited to, the following:

- a. Where it is necessary or helpful in verifying or completing a transaction.
- b. To verify the existence or condition of your account, or to provide experience information regarding your account

or transfers, to a third party (such as an affiliate, credit bureau, or merchant) or a member of an ATM network in which Credit Union participates.

- c. To communicate with PLUS, STAR, or any other payment system that has its logo displayed on the Card with regard to a Card transaction.
- d. To communicate with Visa, with regard to a Visa Business check card transaction.
- e. To comply with government agencies or court orders.
- f. In connection with any claim of unauthorized use or error, or any dispute regarding a Visa Business check card or a Service.

**16. Relation to Other Agreements.** Except as specifically modified herein, all other terms and conditions of the Agreements (including the *Ministry and Business Account Agreement and Disclosure* booklet) governing Company's use of any Linked Account remain the same. Note however, that should any inconsistency exist or arise between a provision within these terms and conditions and a provision contained in the Credit Union's *Ministry and Business Account Agreement and Disclosure* booklet, or elsewhere, the provisions of these terms and conditions shall control. Company agrees, however, that consumer regulations and liability limitations does not limit any obligation or liability Company may have under this Agreement, and is not applicable to the Services or Company's receipt or use of the Cards.

**17. Error Resolution.** If it is believed that a Visa Business check card or account number has been lost or stolen, or that someone has transferred or may transfer money from a Company account without Company's permission, call Credit Union at 800.634.3228, or internationally at 714.671.5705, and select option 2, or write to Adelfi Banking Quality Assurance at P.O. Box 2400, Brea, CA 92822-2400.

Company agrees to review its statements immediately upon receipt and to notify Credit Union immediately if Company knows or suspects that any Card or PIN transaction is unauthorized or that the statement is otherwise incorrect. Company shall be precluded from asserting any unauthorized use of a Card or PIN or other error in a periodic statement if not asserted by Company within 60 days following the earlier of: (a) discovery by Company; or (b) the date Credit Union first makes available the statement on which the unauthorized use (or series of uses) or other error is first reported. The foregoing does not limit Company responsibility for unauthorized use in any way.

**18. Foreign Transactions.** Foreign transactions are normally converted to U.S. dollars by a foreign financial institution, by Visa or by some other intermediary, at a conversion rate less favorable to Company than might be available from others and which may impose fees or charges for its services. Conversion may occur after the date of a transaction, and the conversion rate may be different from the rate in effect at the time of the transaction. Company agrees to pay the amount as converted, as well as any fees or charges imposed.

**19. Visa Extras Program.** Company acknowledges that the Visa Business check card is excluded from any participation in the Visa Extras Program.

**20. This Agreement.** This Agreement will be governed by the laws of the State of California, except to the extent preempted by federal law. Company's obligations under this Agreement relating to transactions that occur before termination shall survive termination of this Agreement. Without limiting the foregoing, Section 8, 9, 10, and 14 of this Agreement shall survive termination of this Agreement. Notice by Credit Union to Company may be given by mail or otherwise sent to the address of Company as shown on the records of Credit Union and shall be effective three (3) days following being placed in the U.S. Mail, postage prepaid, or upon receipt by Company if earlier.