



WWW.WALDENSAVINGSBANK.COM

845-457-7700

ELECTRONIC FUNDS TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Funds Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Business Days - Any Monday through Friday, excluding holidays, on which banks in New York are required or permitted to operate, and on which the Federal Reserve Bank of New York is open for business.

Electronic Funds Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic funds transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearinghouse (ACH) or other payment networks. Your authorization to the third party to make these transfers can occur in a number of ways. In some cases, your authorization can occur when the merchant posts a sign informing you of their policy. In all cases, the transaction will require you to provide the third party with your account number and banking information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet or via some other method) to trusted third parties whom you have authorized to initiate these electronic funds transfers. Examples of these transfers include, but are not limited to:

Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).

Preauthorized payments. You may make arrangement for certain recurring bills from your checking or savings account(s).

Electronic check conversion. You may also authorize a merchant or other payee to make a one time electronic payment from your checking account using information from your check to:

- I. Pay for purchases
- II. Pay for bills

Electronic returned check charge. Some merchants or service providers will initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to savings accounts.

Telephone Transfers - types of transfers - You may access your account by telephone 24 hours a day through our "OnCallBanking" system at 457-8200, 561-8200, 497-8200 or 1-800-7WALDEN (out of area) using your user identification number, access code, a touch tone phone, and your account numbers to:

- Transfer funds from checking to checking
- Transfer funds from checking to statement savings
- Transfer funds from statement savings to checking
- Transfer funds from statement savings to statement savings
- Transfer funds from line of credit to checking
- Transfer funds from statement savings to statement savings
- Make payments from checking to loan accounts with us
- Make payments from statement savings to loan accounts with us
- Get information about the following:
 - The account balance of checking accounts
 - Deposits to checking accounts
 - Withdrawals from checking accounts
 - The account balance of savings accounts, club accounts, and certificates of deposit
 - Deposits to savings accounts
 - Withdrawals from savings accounts.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to telephone transfer.

ATM Transfers - type of transfer and dollar limitations - You may access your account(s) by ATM using your ATM card or Debit MasterCard® and personal identification number to:

- Make deposits to checking account(s) with an ATM or Debit MasterCard®
- Make deposits to savings account(s) with an ATM or Debit MasterCard®
- Get cash withdrawals from checking account(s) with an ATM or Debit MasterCard®
- You may withdraw no more than \$500.00 per day per card
- Get cash withdrawals from statement savings account(s) with an ATM or Debit MasterCard®
- You may withdraw no more than \$500.00 per day per card
- Transfer funds from statement savings to checking account(s) with an ATM or Debit MasterCard®
- Get information about the account balance of your checking account(s)
- Get information about the balance of your statement savings account(s).

Some of these services may not be available at all terminals. Please also see Limitations on frequency of transfers section regarding limitations that apply to ATM transfers.

Types of ATM Card Point-of-Sale Transactions - You may access your checking account(s) to purchase goods (in person), pay for services in person, and get cash from a merchant, if the merchant permits, or from a participating financial institution.

Point-of-Sale Transactions - dollar limitations - Using your card:

- You may not exceed \$500.00 in transactions per day per card

Types of Debit MasterCard® Point of Sale Transactions - You may access your checking account(s) to purchase goods (in person or by phone), pay for services (in person or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution and do anything that you can do with a credit card (that a participating merchant will accept with a credit card).

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to debit card transactions.

Currency Conversion. If you effect a transaction with your Debit MasterCard® in a currency other than US Dollars, MasterCard International Incorporated will convert the charge into a US dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the conversion rate used by MasterCard International to determine the transaction amount in US dollars for such transaction is generally either a government mandated rate or a wholesale rate determined by MasterCard International for the processing cycle in which the transaction is processed, increased by an adjustment factor established from time to time by MasterCard International. The currency conversion rate used by MasterCard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

Advisory Against Illegal Use. You agree not to use your card(s) for illegal gambling or other illegal purposes. Display of a payment card logo by, for example, an on-line merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

Computer Transfers - types of transfers - You may access your account(s) by computer 24 hours a day at www.waldensavingsbank.com and use your user id and password to:

- Transfer funds from checking to checking
- Transfer funds from checking to statement savings
- Transfer funds from statement savings to checking
- Transfer funds from statement savings to statement savings
- Make payments from checking to loan account(s) with us
- Make payments from checking to third parties
- Make payments from statement savings to loan account(s) with us
- Get information about:
 - The account balance of checking account(s)
 - Deposits to checking account(s)
 - Withdrawals from checking account(s)
 - The account balance of savings accounts, club accounts and certificates of deposit
 - Deposits to savings accounts
 - Withdrawals from savings accounts

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to computer transfers.

Limitations on frequency of transfers. In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers from a money market account to another account or to a third party by automatic transfer, or telephonic (including data transmission) agreement, order or instruction are limited to six per statement cycle by check, draft, debit card, or similar order to third parties.
- Transfers from a statement savings account to another account or to a third party by preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction are limited to six per statement cycle by debit card, or similar order payment to third parties.

FEES

We do not charge for direct deposits to any type of account. Except as indicated elsewhere, we do not charge for electronic funds transfers.

ATM Operator/Network Fees. 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 funds transfer).

DOCUMENTATION

Terminal transfers. You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals. However, transactions of \$15.00 or less are exempt from this and you may not receive a receipt for these transactions.

Preauthorized credits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call our OnCallBanking or access our Waldenwebank to find out whether or not the deposit has been made.

Periodic statements. You will get a monthly account statement from us for your checking or money market accounts. You will get a monthly account statement from us for your statement savings account, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly. For passbook accounts, if the only possible electronic transfers to or from your account are preauthorized credits, we do not send periodic statements. You may bring your passbook to us and we will record any electronic deposits that were made since the last time you brought in your passbook.

PREAUTHORIZED PAYMENTS

Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Please refer to our separate fee schedule for the amount we will charge you for each stop-payment order you give.

Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

Liability for failure to stop payment of preauthorized transfers. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

Liability for failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If you have an overdraft line and the transfer would go over the credit limit.
- If the automated teller machine where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfer; or
- In order to verify the existence and condition of your account for a third party, such as credit bureau or merchant; or
- In order to comply with government agency or courts orders; or
- If you give us written permission.

UNAUTHORIZED TRANSFERS

Consumer liability. Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic funds 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 the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card and/or code, you can lose no more than \$50 if someone used your card and/or code without your permission.

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

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can provide that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as long trip or a hospital stay) kept you from telling us, we will extend the time periods.

Contact in event of unauthorized transfer. If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this brochure. You should also call the number or write to the address listed in this brochure if you believe a transfer has been made using the information from your check without your permission.

ERROR RESOLUTION NOTICE

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this brochure as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number
- 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.
- 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 (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time; however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint of question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

WALDEN SAVINGS BANK
ATTN: ACCOUNTING DEPARTMENT
CROSSROADS CORPORATE PARK
15 SCOTT'S CORNERS DRIVE
MONTGOMERY, NEW YORK 12549
Business Days: Monday through Friday
Excluding Federal Holidays
Phone: (845) 457-7700

MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST

NOTICE OF ATM/NIGHT DEPOSIT FACILITY USER PRECAUTIONS

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

- Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
- Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
- Compare your records with the account statements you receive.
- Don't lend your ATM card to anyone.
- Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
- If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic funds transfers for additional information about what to do if your card is lost or stolen.
- Each ATM/Debit Card issued to you is our property and may be cancelled or repossessed by us at any time with or without cause. You must surrender to us on demand each ATM/Debit Card issued to you. If you permit or authorize other persons to use your card and PIN, you will be liable for the resulting transactions. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.

- Prevent others from seeing you enter your PIN by using your body to shield their view.
- Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
- When you make a transaction, be alert to your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lit. Consider having someone accompany you when you use the facility, especially after sunset. Defer your transaction if circumstances cause you to be apprehensive for your safety. You might consider using another ATM or night deposit facility.
- If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
- Please be sure to close any entry door completely upon entering and exiting the ATM or night depository facility. Do not permit any unknown persons to enter the facility after regular banking hours.
- Don't display your cash; place withdrawn cash securely upon your person before exiting the ATM. Count the cash later when you are in the safety of your own car, home or other secure surrounding.
- At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings,
- We want the ATM and night deposit facility to be safe and convenient for you. The activity of the automated teller machine facility may be recorded by a surveillance camera or cameras. Please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please use the nearest available public telephone to call the police if emergency assistance is needed. Direct complaints concerning ATM facility security to us at the phone number listed in this brochure or the New York Banking Department Consumer Services Hotline at 1-888-NYS-ATM1 (1-888-697-2861).