



V PAY Disclosure, Terms and Conditions

Service Federal Credit Union Corporate Offices

Stateside Offices: P.O. Box 1268, Portsmouth, NH 03802 | 800.936.7730

Overseas Offices: Unit 3019, APO AE 09021-3019 | 00800.4728.2000

The following information is being provided to you in accordance with Regulation E and the Electronic Funds Transfer Act, and German law. Service Federal Credit Union (Service CU) intends the V PAY Card for use in Europe only.

NOTE: The Service CU V PAY Card (formerly, Girocard) will be activated only in support of point-of-sale (POS) debit transactions, to include contactless transactions. Uses of this card for ATM withdrawals, as a chip-based purse (GeldKarte), or to support third-party applications are not authorized.

I. TYPES OF PAYMENTS OR TRANSFERS

The cardholder may use the Service CU V PAY Card (hereinafter referred to as "Card"), for the following payment services.

A. In combination with the Personal Identification Number (PIN), which includes Contactless Payment, in German debit card systems:

For use at retailers and service companies at POS terminals operated under the German electronic cash system identified by the V PAY logo.

B. In combination with the PIN, which includes Contactless Payment, in foreign debit card systems:

For use at retailers and service companies at POS terminals operated under a foreign system, provided that the Card is issued with the corresponding functions. In some countries, a signature may be requested instead of a PIN, depending on the system.

In the case of a foreign system, the Card is accepted under the acceptance logo applicable for the foreign system.

II. GENERAL RULES

A. Cardholder and legal authority:

The Card shall be valid for the account stated on it. It can only be issued to the name of the account holder or a person whom the account holder has authorized to draw on his/her account. If the account holder revokes the authority, he/she shall be responsible for ensuring that the Card issued to the authorized person is returned to Service CU. After revocation of the authority, Service CU will electronically block the Card for further use at POS terminals.

B. Financial limits:

Card use is limited to €1,000 per week or available funds in the cardholder account, whichever is less. Account balance includes Courtesy Pay if enrolled. If the cardholder does not adhere to these financial limits on his/her transactions, Service CU can demand reimbursement of the expenses that arise from the use of the Card. PIN-based transactions will be posted to the member's account even if there are insufficient funds, and the cardholder will be responsible for reimbursing the credit union. Contactless transactions are considered PIN-based transactions.

C. Conversion of foreign currency amounts:

The member account will always be debited for the U.S. Dollar equivalent of Card transactions conducted in Euro or some other foreign currency. If the cardholder uses the Card for transactions which are not denominated in Euro, the transaction will be converted to Euro, using existing official European Union exchange rates. The exchange rate for foreign currency transactions in Euro to U.S. Dollars shall be determined according to the official U.S. DoD exchange rate on the date the Euro debit transaction is presented to Service CU.

D. Return of the Card:

The Card shall remain the property of Service CU. The Card is not transferable, and shall be valid for the specific period, not to exceed 48 months, as stated on the Card. If the entitlement to use the Card ends prior to its expiration date (for example by termination of the account relationship or of the Card agreement), the cardholder must return the Card to Service CU immediately.

E. Blocking and collection of the Card:

1. Service CU may block the Card and arrange for its collection if:

- (a) It is entitled to terminate the Card agreement for good cause
- (b) It is justified based on objective reasons related to the security of the Card; or,
- (c) There is suspicion of unauthorized or fraudulent use of the Card.

2. Service CU shall inform the account holder of a blocked Card and the reason(s) for blocking it. Service CU shall unblock the Card or replace it with

a new Card once the reason(s) for blocking the Card no longer exist, and immediately notify the account holder.

F. Cardholder's duty to exercise due care and to cooperate:

1. Signature: Upon receipt, the cardholder shall immediately sign the Card in the signature field.
2. Careful safekeeping of the Card: The cardholder shall secure the Card to prevent it from being lost and misused.
3. Keeping the PIN secret: The cardholder shall take care that no other person obtains knowledge of his/her PIN. In particular, the PIN must not be noted on the Card or kept together with it in any other way. Any person who knows the PIN and comes into possession of the Card may be able to carry out POS transactions which debit the account stated on the Card.
4. Cardholder's information and notification duties:

(a) If the cardholder notices the loss or theft of his/her Card, the misappropriation or any other unauthorized use of the Card or PIN, he/she must notify Service CU and report any theft or misuse to the police without delay.

(b) If the cardholder suspects that another person has come into the possession of his/her Card in an unauthorized manner, has misused it or has used the Card or PIN without authorization in any other manner, he/she must also inform the credit union without delay.

(c) The account holder shall notify Service CU of an unauthorized or incorrectly executed Card transaction without undue delay as soon as he/she becomes aware of it.

G. Authorization of Card payments by the cardholder:

By using the Card, the cardholder gives his/her consent (authorization) to execute the Card payment. If a PIN or signature is additionally required for this, the payment will be authorized only after the PIN has been entered or the signature has been signed. Once authorized, the Card payment cannot be revoked by the cardholder.

H. Refusal of Card payments by Service CU:

Service CU shall be entitled to refuse the Card payment if:

1. The cardholder has failed to prove his/her identification by entering his/her PIN
2. The transaction will exceed the authorized limits or there are insufficient funds in the member's account, except if the member is enrolled in Courtesy Pay, in which case the credit union may accept debits to the account that cause a limited overdraft amount
3. The Card is blocked

The cardholder shall be notified of disapproved transactions via the terminal on which the Card is used.

III. FEES AND LIMITS ON TRANSFER AMOUNT

A. We charge a fee to issue, renew and replace a V PAY card. A fee will also be charged when we have to force post a V PAY transaction. Fees are subject to change. Current V PAY Card fees effective 09/01/14:

- Initial card issue\$25
- Replace expired card (Renewal)\$15
- Replace lost, stolen, forgotten PIN and/or card\$25

B. Card use is limited to €1,000 per week or available funds in the cardholder account, whichever is less. Account balance includes Courtesy Pay if enrolled.

C. Contactless payment transactions may only be completed for individual transactions under €50. Upon accumulating €150 of contactless payment transactions, a PIN entry will be required to reset the contactless limit cycle.

D. Service CU shall notify the account holder in writing of any fee changes at least twenty one (21) days before they go into effect. The cardholder can reject the fee changes and cancel his/her Card agreement without notice or charge before the effective date of the changes.

E. If the member is enrolled in Courtesy Pay, the credit union may accept debits to the account that cause a limited overdrawn amount.

F. Notification of the account holder about the Card transaction:



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Service CU shall notify the cardholder of debit transactions made with the Card in the manner agreed upon for providing account information monthly. You will get a receipt at the time you make any transfer from your account as a POS purchase. You will also receive a monthly statement unless there are no transfers in a particular month. In any case, you will get the statement at least quarterly.

IV. ACCOUNT HOLDER'S LIABILITY FOR UNAUTHORIZED CHARGES

A. Reimbursement for unauthorized Card transactions:

In the event of an unauthorized Card transaction at POS terminals at retailers and service companies if you contact the credit union within two (2) business days after you learn of the unauthorized charge, you can lose no more than \$50. If you do not inform the credit union within two (2) business days after you learn of the loss or theft of your debit card/PIN or unauthorized charge, and we can prove we could have stopped someone from using your debit card/PIN without your permission if you had told us, you could lose as much as \$500. Also, if your periodic statement shows transfers that you did not make, inform us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If something prevents you from contacting us (such as travel or hospitalization), the credit union will extend these time periods to a reasonable period.

B. Reimbursement for non-execution or the incorrect execution of an authorized Card transaction:

In the event of non-execution or the incorrect execution of an authorized Card transaction at POS terminals at retailers and service companies, Service CU shall reimburse the full amount of the transaction immediately. If the amount was debited from the account, Service CU will restore the account balance to the amount on the account before the non-execution or incorrect execution of the Card transaction.

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, except in the following circumstances:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer;
2. If circumstances beyond our control (such as fire or flood) prevent the transfer despite reasonable precautions we have taken; and,
3. Other exceptions stated in our agreement with you.

V. SPECIAL RULES FOR OTHER USES

A. Use for cashless payment at POS terminals at retailers and service companies:

1. Credit limit valid for the Card: POS terminals may be feasible within the credit limit valid for the Card. For each use of the Card at POS terminals, it is checked whether the Card's credit limit has already been exhausted by previous transactions. Transactions which would cause the credit limit to be exceeded are rejected regardless of the current balance of account and any credit facility which may have been agreed for the account previously. The cardholder may utilize the Card only within the credit balance in his/her account or within the credit limit established in this agreement. The account holder can arrange an alteration of the Card's credit limit and for all Cards issued for his/her account with the branch holding the account. Only an authorized person who has received a Card can arrange a reduction for this Card.
2. Incorrect entry of the PIN: The Card can no longer be used at POS terminals where the PIN is to be entered in order to use the Card if the PIN has been entered incorrectly three times in succession. In this case, the cardholder should contact Service CU.
3. Payment obligation of Service CU, complaints: Service CU has bound itself by contract vis-à-vis the operators of POS terminals to reimburse them for the amounts drawn by means of the Card issued to the cardholder. Any objections and other complaints of the cardholder under the contractual relationship with the company where a cashless payment at a POS terminal was made are to be asserted against that company directly.
4. Contactless card use: After an initial POS usage of the card where the PIN was correctly entered, the card can be used via contactless payment for individual transactions under €50 accumulating up to €150 before the PIN entry would be required to reset the contactless limit cycle.

VI. OTHER DISCLOSURES AND INFORMATION

A. Business Days:

Service CU's business days are Monday through Friday, not including United States holidays.

B. Address and Telephone Number:

If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call 800.936.7730 (U.S.) or 00800.4728.2000 (International) or write Service Credit Union, Unit 3019, APO, AE 09136 or Sembach Kaserne Geb. 81, 67681 Sembach, Germany.

C. Account Information to Third Parties:

Service CU will not disclose information about your account or the transfers you make to third parties, except:

1. As necessary to complete transfers;
2. To verify the existence and standing of your account with us upon the request of a third party, such as a credit bureau;
3. To comply with government agency or court orders;
4. In accordance with member's right under the Financial Privacy Act; or,
5. In accordance with your written permission.

D. Error Resolution:

In case of errors or questions about your electronic transfers, telephone us at 800.936.7730 (U.S.) or 00800.4728.2000 (International), or write us at Service Federal Credit Union, Unit 3019, APO, AE 09136 or Sembach Kaserne Geb. 81, 67681 Sembach, Germany, 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 sixty (60) days after we sent the FIRST statement on which the problem or error appeared. You should provide the following information:

1. 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; and,
3. 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 ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, we may take up to forty five (45) days to investigate your complaint or question. If so, we will credit your account within ten (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 ten (10) business days, we may not credit your account.

For errors involving new accounts or POS transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (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.

E. End-User Obligations:

Endusers are obligated to take used electrical devices to a separate collection point and not to dispose of them in household trash. The symbol showing a garbage can with a line drawn through it indicates this obligation. Please take advantage of the recycling and collection systems in your region for disposal of this card. Sellers of used electric and electronic devices are required to accept, at no charge, the return of used electric devices in accordance with the criteria of section 17 (1) and (2) from the Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment [Gesetz über das Inverkehrbringen, die Rücknahme und die umweltverträgliche Entsorgung von Elektro- und Elektronikgeräten; ElektroG]. You as the end user, are obligated to take this card to a collection point. Moreover, we point out that you yourself are responsible for the removal of any personal data from the used devices being disposed before handing them over.