

SHARONVIEW

FEDERAL CREDIT UNION

ACH ORIGINATION POLICY

Sharonview Federal Credit Union (SFCU) will initiate ACH debits and credits for SFCU members only. Sharonview will process these items following ACH formats as provided in the ACH Rules. SFCU will comply with these Rules insofar as applicable. It shall be the responsibility of SFCU that the origination of ACH transactions complies with U.S. law. This includes, but is not limited to sanctions enforced by the Office of Foreign Assets Control (OFAC). Any fines incurred as a result of non-compliance by SFCU will be the responsibility of SFCU.

SFCU will obtain written authorizations for consumer entries in accordance with ACH Rules and U.S. law from their members and shall retain the original or image record for two (2) years after termination or revocation of such authorization. Fifteen (15) days advance notice will be required for initial and any subsequent changes to ensure timely processing.

SFCU will send prenotifications six (6) banking days prior to initiating the first entry to a particular account. Such notice shall be provided to the Bank in the format and on the medium provided in the ACH Rules. After SFCU receives notice that any such notification has been rejected by the receiving bank, or that the receiving bank will not receive entries without having first received a copy of the authorization signed by its customer, SFCU will not initiate any entry to such customer, except after providing the receiving bank with such authorization within the time limits provided by the ACH Rules. SFCU will not reinitiate prenotifications if the receiving financial institution rejects such items because they do not accept or cannot process such entries.

SFCU will provide immediately available funds to cover any credit entry initiated by it no later than the Settlement Date applicable.

SFCU will receive immediately available funds for any electronic debit entry initiated by it on the Settlement Date applicable. Loan payments will first be deposited to SFCU member's share account. Automatic distribution will process the transfer of payment for SFCU loans.

SFCU will process returned and/or rejected items no later than 24 hours after notification. Members will NOT be notified by mail receipt of rejected payments, etc. Funds not available on designated date will result in NO transfer.

SFCU shall notify the Receiver of any reversing entry initiated to correct an entry it has initiated in error. The notification to the Receiver must include the reason for the reversal and be made no later than the settlement date of the reversing entry.

In the event any entries are rejected by the ACH for any reason whatsoever, it shall be the responsibility of SFCU to remake such entries; provided, however, that such rejection by the ACH was due to mishandling of such entries and sufficient data is available to permit the remake of these entries.