

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

**AUDREY LUSSORO**, on behalf of herself  
and all others similarly situated,  
Plaintiff,

v.

**OCEAN FINANCIAL  
FEDERAL CREDIT UNION**,  
Defendant.

**Case No. 1:18-cv-7400**

**CLASS ACTION COMPLAINT AND DEMAND FOR JURY TRIAL**

COMES NOW the Plaintiff Audrey Lussoro, by counsel, and for her Class Action Complaint against the Defendant, she alleges as follows:

**INTRODUCTION**

1. This is a civil action seeking monetary damages, restitution and declaratory relief from Defendant, Ocean Financial Federal Credit Union (“OFFFCU”), arising from the unfair and unconscionable assessment and collection of “Overdraft Fees” (“OD Fees”) on accounts that were never actually overdrawn.

2. Besides being deceptive, unfair and unconscionable, these practices breach contract promises made in OFFFCU’s adhesion contracts—specifically, the promise to charge OD Fees only on transactions which actually overdraw an account.

3. In plain, clear, and simple language, the checking account contract documents discussing OD Fees promise that OFFFCU will only charge OD Fees on transactions that “overdraw your account.”

4. As happened to Plaintiff, however, OFFFCU charges OD Fees even when the transaction has not “overdraw[n]” an account. For example, Plaintiff Lussoro was charged two OD Fees in the amount of \$28 each on debit card transactions of \$2.94 and \$3.11 that did not

overdraw her account when they were made a day earlier, on July 19, 2018. By definition, then, those transactions did not “overdraw” the account—yet OFFCU assessed an OD Fee on them anyway.

5. In short, OFFCU is not authorized by contract to charge OD Fees on transactions that have not overdrawn an account, but it has done so and continues to do so.

6. Plaintiff and other OFFCU customers have been injured by OFFCU’s practices. On behalf of herself and the putative class, Plaintiff seeks damages, restitution and injunctive relief for OFFCU’s breach of contract.

### **JURISDICTION**

7. This Court has original jurisdiction of this action under the Class Action Fairness Act of 2005. Pursuant to 28 U.S.C. §§ 1332(d)(2) and (6), this Court has original jurisdiction because the aggregate claims of the putative class members exceed \$5 million, exclusive of interest and costs, and based upon information and belief, at least one of the members of the proposed classes is a citizen of a different state than Defendant.

8. In addition, this Court has jurisdiction pursuant to 18 U.S.C. § 1965 and 15 U.S.C. § 1692k(d). The Court has supplemental jurisdiction over state law claims pursuant to 28 U.S.C. §§ 1367 and 1332(d)(2).

9. Venue is proper in this district pursuant to 28 U.S.C. § 1391 because Defendant is subject to personal jurisdiction here and regularly conducts business in this District, and because a substantial part of the events or omissions giving rise to the claims asserted herein occurred in this district.

**PARTIES**

10. Plaintiff Lussoro is a natural person who resides in Nassau County, State of New York. Plaintiff has a personal checking account with OFFCU, which is governed by OFFCU's Membership Booklet and Fee Schedule.

11. Defendant OFFCU is a credit union with approximately \$600 million in assets. Defendant is one of the largest credit unions in New York and maintains branch locations across the state of New York.

**FACTUAL BACKGROUND AND GENERAL ALLEGATIONS**

12. Plaintiff has a checking account with OFFCU.

13. OFFCU issues debit cards to its checking account customers, including Plaintiff, which allows its customers to have electronic access to their checking accounts for purchases, payments, withdrawals and other electronic debit transactions.

14. Pursuant to its standard account agreement, OFFCU charges fees (currently in the amount of \$28) for debit card transactions that purportedly result in an overdraft.

**A. OFFCU Account Documents**

15. Plaintiff's checking account with OFFCU was, at all relevant times, governed by OFFCU's standardized contract for deposit accounts, the material terms of which were drafted by OFFCU, amended by OFFCU from time to time at its convenience and complete discretion, and imposed by OFFCU on all of its customers.

16. In plain, clear, and simple language, the checking account contract documents discussing OD Fees promise that OFFCU will only charge OD Fees on transactions that "overdraw your account" or where insufficient funds exist to "pay" a given transaction:

Overdrafts - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to transfer funds from another account you have with us. You agree that we may charge fees for overdrafts and transfers. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service.

\* \* \*

If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere.

OFFCU “Terms and Conditions of Your Account,” attached as **Exhibit A** (at “page 2 of 12”).

17. Similarly, the fee schedule for checking (“Share Draft”) accounts simply states:

Courtesy Pay (including ACH/Share Drat/Debt/ATM) – \$28.00

\* \* \*

Non-sufficient funds (including ACH and Share draft return) – \$28.00

OFFCU “Fee Schedule.”<sup>1</sup>

**B. Plaintiff’s Experience**

18. On July 20, 2018, Plaintiff Lussoro was assessed two OD Fees in the amount of \$28 each on debit card transactions of \$2.94 and \$3.11 that did not overdraw her account when they were made a day earlier, on July 19, 2018. In short, Plaintiff had sufficient funds to cover the transactions that supposedly caused OD Fees.

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<sup>1</sup> Available at <https://www.oceanfinancial.org/member-services/fee-schedule/> (last accessed Dec. 27, 2018).

### CLASS ALLEGATIONS

19. Plaintiff brings this action on behalf of herself and all others similarly situated pursuant to Rule 23 of the Federal Rules of Civil Procedure. This action satisfies the numerosity, commonality, typicality, adequacy, predominance and superiority requirements of Rule 23.

20. The proposed classes are defined as:

All OFFCU checking account holders who, during the applicable statute of limitations period through the date of class certification, were charged OD Fees on transactions that did not overdraw their checking accounts (the “National Class”), and

All OFFCU checking account holders in the state of New York who, during the applicable statute of limitations period through the date of class certification, were charged OD Fees on transactions that did not overdraw their checking accounts (the “New York Subclass” and, together with the National Class, the “Classes”).

21. Plaintiff reserves the right to modify or amend the definition of the proposed Classes before the Court determines whether certification is appropriate.

22. Excluded from the Classes are OFFCU, its parents, subsidiaries, affiliates, officers and directors; any entity in which OFFCU has a controlling interest; all customers who make a timely election to be excluded; governmental entities; and all judges assigned to hear any aspect of this litigation, as well as their immediate family members.

23. The members of the Classes are so numerous that joinder is impractical. The Classes consist of thousands of members, the identities of whom are within the knowledge of and can be ascertained only by resort to OFFCU’s records.

24. The claims of the representative Plaintiff are typical of the claims of the Classes in that the representative Plaintiff, like all members of the Classes, was charged OD Fees by OFFCU on transactions that did not actually overdraw her checking account. The representative Plaintiff, like all members of the Classes, has been damaged by OFFCU’s misconduct in that

they have been overdraft charges that violate the account contract. Furthermore, the factual basis of OFFCU's misconduct is common to all members of the Classes and represents a common thread of unfair and unconscionable conduct resulting in injury to all members of the Classes.

25. There are numerous questions of law and fact common to the Classes and those common questions predominate over any questions affecting only individual members.

26. Among the questions of law and fact common to the Classes are whether OFFCU:

- a. imposed OD Fees on debit card transactions when those transactions did not overdraw accounts;
- b. the proper method or methods by which to measure damages; and
- c. the declaratory relief to which Class members are entitled.

27. Plaintiff's claims are typical of the claims of other members of the Classes, in that they arise out of the same wrongful overdraft policies and practices of OFFCU. Plaintiff has suffered the harm alleged and has no interests antagonistic to the interests of any other member of either Class.

28. Plaintiff is committed to the vigorous prosecution of this action and has retained competent counsel experienced in the prosecution of class actions and, in particular, class actions on behalf of consumers and against financial institutions. Accordingly, Plaintiff is an adequate representative and will fairly and adequately protect the interests of the Classes.

29. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Since the amount of each individual member's claim is small relative to the complexity of the litigation, and due to the financial resources of OFFCU, no member of either Class could afford to seek legal redress individually for the claims alleged herein. Therefore, absent a class action, the members of the Classes will continue to suffer losses and OFFCU's misconduct will proceed without remedy.

30. Even if members of the Classes could themselves afford such individual litigation, the court system could not. Given the complex legal and factual issues involved, individualized litigation would significantly increase the delay and expense to all parties and to the Court. Individualized litigation would also create the potential for inconsistent or contradictory rulings. By contrast, a class action presents far fewer management difficulties, allows claims to be heard which might otherwise go unheard because of the relative expense of bringing individual lawsuits, and provides the benefits of adjudication, economies of scale and comprehensive supervision by a single court.

**FIRST CLAIM FOR RELIEF**  
**Breach of Contract and Breach of the Covenant of Good Faith and Fair Dealing**  
**(On Behalf of Plaintiff and the Classes)**

31. The preceding allegations are incorporated by reference and re-alleged as if fully set forth herein.

32. Plaintiff and OFFCU have contracted for bank account deposit, checking, ATM, and debit card services.

33. Under the laws of New York and every state in which OFFCU does business, good faith is an element of every contract pertaining to the assessment of overdraft fees. Whether by common law or statute, all such contracts impose upon each party a duty of good faith and fair dealing. Good faith and fair dealing, in connection with executing contracts and discharging performance and other duties according to their terms, means preserving the spirit – not merely the letter – of the bargain. Put differently, the parties to a contract are mutually obligated to comply with the substance of their contract in addition to its form. Evading the spirit of the bargain and abusing the power to specify terms constitute examples of bad faith in the performance of contracts.

34. Subterfuge and evasion violate the obligation of good faith in performance even when an actor believes his conduct to be justified. A failure to act in good faith may be overt or may consist of inaction, and fair dealing may require more than honesty. Examples of violations of good faith and fair dealing include evasion of the spirit of the bargain, willful rendering of imperfect performance, abuse of a power to specify terms, and interference with or failure to cooperate in the other party's performance.

35. OFFCU has breached the covenant of good faith and fair dealing in its account agreement with customers through its overdraft policies and practices as alleged herein.

36. OFFCU breached promises included in the account documents as described herein when it charged overdraft fees on transactions that did not overdraw checking accounts.

37. Plaintiff and members of the Classes have performed all, or substantially all, of the obligations imposed on them under the contract.

38. Plaintiff and members of the Classes have sustained damages as a result of OFFCU's breach of the contract.

**SECOND CLAIM FOR RELIEF**  
**Violations of New York Consumer Protection Laws**  
**(On Behalf of Plaintiff and the New York Subclass)**

39. The preceding allegations are incorporated by reference and re-alleged as if fully set forth herein.

40. This claim is asserted on behalf of the subclass of OFFCU customers who are New York residents and enjoy the protections of Article 22-A of the New York General Business Law, the Consumer Protection from Deceptive Acts and Practices Law, N.Y. Gen. Bus. Law §§ 349 *et seq.*, which prohibits “[d]eceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service.” N.Y. Gen. Bus. Law § 349(a).



41. OFFFCU's policies and practices complained of herein were and are consumer-oriented, in that they affect all consumers who maintain checking accounts with OFFFCU.

42. The complained-of policies and practices were and are misleading in a material respect, because OFFFCU promised to charge OD Fees only on transactions that "overdraw your account" or where insufficient funds exist to "pay" a given transaction, when in fact OFFFCU assesses overdraft fees even when there is enough money in the account to pay for the transaction at issue.

43. Plaintiff and members of the New York Subclass were injured as a result of OFFFCU's policies and practices, in that their accounts were debited by OFFFCU in violation of their agreements with the bank.

44. OFFFCU's actions were willful and knowing.

45. As redress for OFFFCU's repeated and ongoing violations of these consumer protection statutes, Plaintiff and members of the New York Subclass are each entitled to (a) injunctive relief, and (b) three times actual damages (up to \$1,000.00). *See* N.Y. Gen. Bus. Law § 349(h).

**THIRD CLAIM FOR RELIEF**  
**Violation of Electronic Fund Transfers Act (Regulation E)**  
**12 C.F.R. § 1005 et seq. (authority derived from 15 U.S.C. § 1693 et seq.)**  
**(On Behalf of Plaintiff and the National Class)**

46. The preceding allegations are incorporated by reference and re-alleged as if fully set forth herein.

47. By charging OD Fees on ATM and nonrecurring transactions, OFFFCU violated Regulation E (12 C.F.R. §§ 1005 et seq.), the "primary objective" of which is "the protection of consumers" and which "carries out the purposes of the Electronic Fund Transfer Act (15 U.S.C.

§§ 1693 *et seq.*) [the “EFTA”]” (§ 1005.1(b)), the “primary objective” of which, in turn, is also “the provision of individual consumer rights.” (15 U.S.C. § 1693(b)).

48. Specifically, the OD Fees violated what is known as the “Opt-In Rule” of Regulation E (12 C.F.R. § 1005.17). The Opt-In Rule states: “a financial institution ... shall not assess a fee or charge ... pursuant to the institution’s overdraft service, unless the institution: (i) [p]rovides the consumer with a notice in writing [the opt-in notice] ... describing the institution’s overdraft service” and (ii) “[p]rovides a reasonable opportunity for the consumer to affirmatively consent” to enter into the overdraft program. (*Id.*) The notice “shall be clear and readily understandable.” (12 C.F.R. § 205.4(a)(1)) To comply with the affirmative consent requirement, a financial institution must provide a segregated description of its overdraft practices that is accurate, non-misleading and truthful and that conforms to 12 C.F.R. § 1005.17 prior to the opt-in, and must provide its customers a reasonable opportunity to opt-in after receiving the description. The affirmative consent must be provided in a way mandated by 12 C.F.R. § 1005.17, and the financial institution must provide confirmation of the opt-in in a manner that conforms to 12 C.F.R. § 1005.17.

43. The intent and purpose of this Opt-In Contract is to “assist customers in understanding how overdraft services provided by their institutions operate .... by explaining the institution’s overdraft service ... in a clear and readily understandable way,” as stated in the Official Staff Commentary (74 Fed. Reg. 59033, 59035, 59037, 5940, 5948), which, as “the CFPB’s official interpretation of its own regulation ... warrants deference from the courts unless ‘demonstrably irrational,’” and should therefore be treated as “a definitive interpretation” of Regulation E. *Strubel v. Capital One Bank (USA)*, 2016 U.S. Dist. LEXIS 41487, at \*11

(S.D.N.Y. 2016) (quoting *Chase Bank USA v. McCoy*, 562 U.S. 195, 211 (2011)) (so holding for the CFPB's Official Staff Commentary for the Truth In Lending Act's Regulation Z)).

44. OFFCU failed to comply with Regulation E, 12 C.F.R. § 1005.17, which requires affirmative consent before a financial institution is permitted to assess overdraft fees against customers' accounts through an overdraft program for ATM and non-recurring debit card transactions. OFFCU has failed to comply with the 12 C.F.R. § 1005.17 opt-in requirements, including failing to provide its customers with a valid description of the overdraft program which meets the strictures of 12 C.F.R. § 1005.17. OFFCU's opt-in method fails to satisfy 12 C.F.R. § 1005.17 because, *inter alia*, it states that an overdraft occurs when you "overdraw your account" or where insufficient funds exist to "pay" a given transaction, when in fact OFFCU assesses overdraft fees even when there is enough money in the account to pay for the transaction at issue.

45. As exhibited by the transactions described herein, Plaintiff's account had funds to cover the transactions, which were paid, yet OFFCU charged OD Fees.

46. As a result of violating Regulation E's prohibition against assessing overdraft fees on ATM and non-recurring debit card transactions without obtaining affirmative consent to do so, OFFCU has harmed Plaintiff and the Class.

47. Due to OFFCU's violation of Regulation E (12 C.F.R. § 1005.17), Plaintiff and members of the Class are entitled to actual and statutory damages, as well as attorneys' fees and costs of suit pursuant to 15 U.S.C. § 1693m.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff and members of the National Class and the New York Subclass demand a jury trial on all claims so triable and judgment as follows:

1. Declaring OFFCU's OD Fee policies and practices to be wrongful, unfair and unconscionable;
2. Restitution of all OD Fees paid to OFFCU by Plaintiff and the Class, as a result of the wrongs alleged herein in an amount to be determined at trial;
3. For each member of the National Class, actual damages in an amount according to proof;
4. For each member of the New York Subclass, the lesser of (a) three times actual damages in an amount according to proof, or (b) \$1,000;
5. Pre-judgment interest at the maximum rate permitted by applicable law;
6. Costs and disbursements assessed by Plaintiff in connection with this action, including reasonable attorneys' fees pursuant to applicable law; and
7. Such other relief as this Court deems just and proper.

**TRIAL BY JURY IS DEMANDED**

Dated: December 27, 2018

Respectfully submitted,

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*Counsel for Plaintiffs and the Proposed Classes*

JS 44 (Rev. 11/15)

### CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

**I. (a) PLAINTIFFS**  
Audrey Lussoro, on behalf of herself and all others similarly situated,

**(b)** County of Residence of First Listed Plaintiff Nassau  
*(EXCEPT IN U.S. PLAINTIFF CASES)*

**(c)** Attorneys *(Firm Name, Address, and Telephone Number)*  
Kalieil PLLC  
1875 Connecticut Ave. NW, 10th Floor, Washington, DC 20009  
202-350-4783 (also see attachment)

**DEFENDANTS**  
Ocean Financial Federal Credit Union

County of Residence of First Listed Defendant \_\_\_\_\_  
*(IN U.S. PLAINTIFF CASES ONLY)*

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

**II. BASIS OF JURISDICTION** *(Place an "X" in One Box Only)*

1 U.S. Government Plaintiff

2 U.S. Government Defendant

3 Federal Question *(U.S. Government Not a Party)*

4 Diversity *(Indicate Citizenship of Parties in Item III)*

**III. CITIZENSHIP OF PRINCIPAL PARTIES** *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input checked="" type="checkbox"/> 4
Citizen of Another State	<input checked="" type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. NATURE OF SUIT** *(Place an "X" in One Box Only)*

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<b>PRISONER PETITIONS</b> <b>Habeas Corpus:</b> <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <b>Other:</b> <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act	<b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark
			<b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
			<b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	

**V. ORIGIN** *(Place an "X" in One Box Only)*

1 Original Proceeding     2 Removed from State Court     3 Remanded from Appellate Court     4 Reinstated or Reopened     5 Transferred from Another District *(specify)*     6 Multidistrict Litigation

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:  
Class Action Fairness Act, 28 U.S.C. 1332(d)(2)

Brief description of cause:  
Breach of contract, violation of Electronic Funds Transfers Act (15 U.S.C. 1693)

**VII. REQUESTED IN COMPLAINT:**     CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.    DEMAND \$ \_\_\_\_\_    CHECK YES only if demanded in complaint: JURY DEMAND:  Yes     No

**VIII. RELATED CASE(S) IF ANY**    *(See instructions):*    JUDGE \_\_\_\_\_    DOCKET NUMBER \_\_\_\_\_

DATE: 12/27/2018    SIGNATURE OF ATTORNEY OF RECORD: 

**FOR OFFICE USE ONLY**

RECEIPT # \_\_\_\_\_    AMOUNT \_\_\_\_\_    APPLYING IFP \_\_\_\_\_    JUDGE \_\_\_\_\_    MAG. JUDGE \_\_\_\_\_

**CERTIFICATION OF ARBITRATION ELIGIBILITY**

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

Case is Eligible for Arbitration

I, Patrick S. Almonrode, counsel for plaintiffs, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason

**DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1**

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

None

**RELATED CASE STATEMENT (Section VIII on the Front of this Form)**

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that " A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

**NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)**

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County?  Yes  No
- 2.) If you answered "no" above:
  - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County?  Yes  No
  - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District?  Yes  No
  - c) If this is a Fair Debt Collection Practice Act case, specify the County in which the offending communication was received:

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County?  Yes  No

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

**BAR ADMISSION**

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

Yes  No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

Yes (If yes, please explain)  No

I certify the accuracy of all information provided above.

Signature: 

Attachment to Civil Cover Sheet

*Audrey Lussoro, on behalf of herself and all other similarly situated*

v.

*Ocean Financial Federal Credit Union*

Additional counsel:

**GREG COLEMAN LAW PC**

First Tennessee Plaza  
800 S. Gay Street, Suite 1100  
Knoxville, TN 37929  
(865) 247-0080

**BROWN, LLC**

111 Town Square Place, Suite 400  
Jersey City, NJ 07310  
(877) 561-0000



# **EXHIBIT A**

**TABLE OF CONTENTS**

**TERMS AND CONDITIONS OF YOUR ACCOUNT** ..... 1

Agreement ..... 1

Bylaws ..... 1

Liability ..... 1

Deposits ..... 2

Withdrawals ..... 2

Ownership of Account and Beneficiary Designation ..... 3

Stop Payments ..... 3

Telephone Transfers ..... 3

Amendments and Termination ..... 3

Notices ..... 3

Statements ..... 3

Account Transfer ..... 4

Direct Deposits ..... 4

Right to Repayment of Indebtedness ..... 4

Restrictive Legends or Indorsements ..... 4

Payment Order of Items ..... 4

Facsimile Signatures ..... 4

Pledges ..... 4

Check Processing ..... 4

Check Cashing ..... 5

Indorsements ..... 5

Death or Incompetence ..... 5

Fiduciary Accounts ..... 5

Credit Verification ..... 5

Legal Actions Affecting Your Accounts ..... 5

Security ..... 5

Telephonic Instructions ..... 5

Monitoring and Recording Telephone Calls  
and Consent to Receive Communications ..... 5

Claim of Loss ..... 5

Early Withdrawal Penalties ..... 6

Address or Name Changes ..... 6

Resolving Account Disputes ..... 6

Waiver of Notices ..... 6

ACH and Wire Transfers ..... 6

**ELECTRONIC FUND TRANSFERS YOUR RIGHTS  
AND RESPONSIBILITIES** ..... 6

**NOTICE OF NEGATIVE INFORMATION** ..... 9

**YOUR ABILITY TO WITHDRAW FUNDS** ..... 9

**TRUTH-IN-SAVINGS DISCLOSURE** ..... 10

Share Account ..... 10

Youth Savings Account ..... 10

Share Draft Account ..... 10

Super Saver Account ..... 10

IRA ..... 11

Christmas/Vacation/Specialty Account ..... 11

Share Certificate/IRA Certificate ..... 11

Non-Interest Bearing Savings/Safe Account ..... 12

Commercial Share Draft Account ..... 12

Common Features ..... 12

**TERMS AND CONDITIONS  
OF YOUR ACCOUNT**

**AGREEMENT** - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. Information on rates, fees and qualifying balances is available on our website and in our branches. If you have any questions, please call us at 516-620-8100.

This agreement is subject to applicable federal laws, the laws of the state of New York and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

**BYLAWS** - Our bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations which affect your account and membership. You may obtain a copy of the bylaws on request. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the bylaws. Unless we have agreed otherwise, you are not entitled to receive any original item after it is paid, although you may request that we send you an item(s) or a copy of an item(s). Dividends are based on current earnings and available earnings of the credit union, after providing for required reserves.

**LIABILITY** - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the separately published fee schedule. You authorize us to deduct these fees, without notice to you, directly from any of your credit union accounts. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from fees, charges or overdrafts, whether caused by you or another with access to your accounts. This liability is due immediately, and can be deducted directly from any of your account balances whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

**DEPOSITS** - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of foreign negotiable items will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. If you deliver a deposit to us and you will not be present when the deposit is counted, you must provide us an itemized list of the deposit (deposit slip). To process the deposit, we will verify and record the deposit, and credit the deposit to the account. If there are any discrepancies between the amounts shown on the itemized list of the deposit and the amount we determine to be the actual deposit, we will notify you of the discrepancy. You will be entitled to credit only for the actual deposit as determined by us, regardless of what is stated on the itemized deposit slip. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

**WITHDRAWALS** -

**Generally** - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

**Postdated checks** - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check. Because we process checks mechanically, we will not be aware if a postdated check is presented for payment.

**Checks and withdrawal rules** - If you do not purchase your check blanks from us, and they are found to be faulty, we may refuse any withdrawal or transfer request which you attempt. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

See the Funds Availability Policy disclosure for information about when you can withdraw funds you deposit. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

**Overdrafts** - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to transfer funds from another account you have with us. You agree that we may charge fees for overdrafts and transfers. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

**Multiple signatures, electronic check conversion, and similar transactions** - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check is removed from circulation and the check copy is provided by online banking. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION**

- These rules apply to your accounts depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

**Individual Account** - is an account in the name of one person.

**Joint Account - With Survivorship (And Not As Tenants In Common)** - is owned by two or more persons. Deposits and any additions to the account are the property of the owners as joint tenants with right of survivorship. This means that we may release the entire account to any owner during the lifetime of all owners. We may honor withdrawal requests (including checks) from any owner during the lifetime of all owners. We may be required to release money in the account to satisfy a judgment against or other valid debt incurred by any owner. We may honor withdrawal requests (including checks) from any surviving owner after the death of any owner, and may treat the account as the sole property of the surviving owner(s). Unless an owner directs us by written notice not to honor the withdrawal request (including checks) of an owner we will not be liable for doing so. After we receive such a notice, we may require written authorization of any or all joint owners for any further payments or deliveries.

**Revocable Trust Account** - If two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating this account type reserve the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**STOP PAYMENTS** - Unless otherwise provided, the rules in this section cover stopping payment of items such as official checks and member share drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

A stop payment order must be given in the manner required by law and must be received in time to give us a reasonable opportunity to act on it. Because stop payment orders are handled by computers, to be effective the order must precisely identify the number, date and amount of the item, and the payee. We will honor a stop payment request by the person who signed the particular item, and, by any other authorized person, even though such other person did not sign the item.

Generally, if your stop payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop payment order was oral your stop payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop payment order expires. A release of the stop payment request may be made only by the person who initiated the stop payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop payment order.

**TELEPHONE TRANSFERS** - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we may restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

**AMENDMENTS AND TERMINATION** - We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

**NOTICES** - Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Notice to any of you is notice to all of you.

**STATEMENTS - Your duty to report unauthorized signatures, alterations and forgeries** - You must examine your statement of account with "reasonable care and promptness." If you discover (or reasonably should have discovered) any unauthorized transactions or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to bear the entire loss. Your loss could be not only with respect to items on the statement but other unauthorized transactions by the same wrongdoer. We lose these protections if you establish that we failed to exercise ordinary care in paying an item with an unauthorized signature or alteration.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 14 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized transactions in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

**Your duty to report other errors** - In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with

reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours.

**Errors relating to electronic fund transfers or substitute checks**

- For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution.

**ACCOUNT TRANSFER** - This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS** - If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**RIGHT TO REPAYMENT OF INDEBTEDNESS** - You each agree that we may (when permitted by law) charge against and deduct from this account any due and payable debt any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

In addition to these contract rights, we may also have rights under a "statutory lien." A "lien" on property is a creditor's right to obtain ownership of the property in the event a debtor defaults on a debt. A "statutory lien" is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to this account if prohibited by law. For example, neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal arises only in a representative capacity, or (d) social security or supplemental security income payments are deposited directly into this account pursuant to an agreement with us which permits such direct deposit without presentation to you at the time of deposit, or (e) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

**RESTRICTIVE LEGENDS OR INDORSEMENTS** - The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. Examples of restrictive legends placed on checks are "must be

presented within 90 days" or "not valid for more than \$1,000." The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks.

**PAYMENT ORDER OF ITEMS** - The law permits us to pay items drawn on your account in any order (for purposes of this section "items" means checks, orders and electronic transactions). To assist you in handling your account with us, we are providing you with the following information regarding how we process those items.

When processing items drawn on your account, our policy is to pay them in the following order: ACH, (including Bill Payer), transfers (share, share draft, or loan payments), and share drafts. Debit card transactions can post at any time of day. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. There is no policy that is favorable in every instance. If the smallest items are paid first, you may have fewer NSF or overdraft fees, but the largest, and perhaps more important items (such as rent or mortgage payments) might not be paid. However, if the largest items are paid first, your most important items might be paid but it may increase the overdraft or NSF fees if funds are not available to pay all of the items. By paying items in the order that we describe above, we think our policy attains a reasonable balance between minimizing additional cost to you and paying your more important items.

If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere. We encourage you to make careful records and practice good account management. This will help you to avoid creating items without sufficient funds and incurring the resulting fees.

**FACSIMILE SIGNATURES** - If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

**PLEDGES** - Each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective.

**CHECK PROCESSING** - We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

**CHECK CASHING** - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical.

**INDORSEMENTS** - We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

**DEATH OR INCOMPETENCE** - You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

**FIDUCIARY ACCOUNTS** - Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

**CREDIT VERIFICATION** - You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT** - If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**SECURITY** - It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. If you are negligent in safeguarding your checks we will not be responsible for any losses you incur due to an alteration or forgery if we have paid the check in good faith and in accordance with reasonable commercial standards.

Except for consumer electronic funds transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected.

**TELEPHONIC INSTRUCTIONS** - Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

**MONITORING AND RECORDING TELEPHONE CALLS AND CONSENT TO RECEIVE COMMUNICATIONS** - We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC).

- ◆ Your consent is limited to this account, and as authorized by applicable law and regulations.
- ◆ Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us to contact you regarding this account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us.

This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

**CLAIM OF LOSS** - If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You should notify law enforcement authorities of any criminal act

related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

**EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals)** - We may impose early withdrawal penalties on a withdrawal from a certificate account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

**ADDRESS OR NAME CHANGES** - You are responsible for notifying us of any change in your address or your name or your telephone number. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

**RESOLVING ACCOUNT DISPUTES** - We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

**WAIVER OF NOTICES** - To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

**ACH AND WIRE TRANSFERS** - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

## ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund 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.

**Electronic Funds Transfers Initiated By Third Parties.** You may authorize a third party to initiate electronic fund 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 Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check or draft to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and credit union information. This information can be found on your check or draft as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union 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 fund transfers. Examples of these transfers include, but are not limited to:

- ◆ **Preauthorized credits.** You may make arrangements for certain direct deposits (such as for example, U.S. Treasury (Social Security) or some employers (payroll)) to be accepted into your share or share draft account(s).
- ◆ **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your share or share draft account(s).
- ◆ **Electronic check or draft conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your share draft account using information from your check or draft to pay for purchases or pay bills.
- ◆ **Electronic returned check or draft charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

**Member Telephone Service Transfers - types of transfers** - You may access your account by telephone 24 hours a day at (516) 620-8100 option 4 using your personal identification number and your member number, to:

- ◆ transfer funds from share draft to share draft
- ◆ transfer funds from share draft to share savings
- ◆ transfer funds from share savings to share draft
- ◆ transfer funds from share savings to share savings
- ◆ transfer funds between membership numbers
- ◆ make payments from share draft to loan accounts with us
- ◆ make payments from share savings to loan accounts with us

**ATM Transfers - types of transfers, dollar limitations, and charges** - You may access your account(s) by ATM using your ATM Card and personal identification number or Visa® Debit Card and personal identification number, to:

- ◆ make deposits to share draft and share savings account(s) at certain ATM machines with an ATM or debit card
- ◆ get cash withdrawals from share draft and share savings account(s) with an ATM or debit card
  - you may withdraw no more than \$750 per day (approximately 6:00 P.M. to 6:00 P.M.)
  - there is a charge per withdrawal in excess of ten per month (see Fee Schedule)

- ◆ transfer funds from share savings to share draft account(s) with an ATM or debit card
- ◆ transfer funds from share draft to share savings account(s) with an ATM or debit card
- ◆ get information about:
  - the account balance of your share draft account(s) with an ATM or debit card
  - the account balance of your share savings accounts with an ATM or debit card

Some of these services may not be available at all terminals.

**Types of ATM Card Point-of-Sale Transactions** - You may purchase goods (in person), pay for services (in person), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

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

- ◆ you may not exceed \$1,000 in transactions per day

**Types of Visa® Debit Card Point-of-Sale/Signature Transactions** - You may access your share draft account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

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

- ◆ you may not exceed \$5,000 in signature transactions per day
- ◆ you may not exceed \$1,000 in point-of-sale transactions per day

**Currency Conversion and International Transactions.** When you use your Visa® Debit Card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

Visa USA charges us an International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, an International Service Assessment is charged. In either case, we pass this international transaction fee on to you. An international transaction is a transaction where the country of the merchant is outside the USA.

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

**Online Banking Transfers - types of transfers** - You may access your account(s) by computer through the internet by logging onto our website at [www.oceanfinancial.org](http://www.oceanfinancial.org) and using your personal identification number, your account numbers, your multifactor authentication, and your member number, to:

- ◆ transfer funds from share draft to share draft
- ◆ transfer funds from share draft to share savings
- ◆ transfer funds from share savings to share draft
- ◆ transfer funds from share savings to share savings
- ◆ transfer funds between membership numbers
- ◆ transfer funds from member account to another member account and from institution to another institution
- ◆ make payments from share draft to loan account(s) with us
- ◆ make payments from share draft to third parties (Bill Pay)
- ◆ make payments from share savings to loan account(s) with us

- ◆ get information about:
  - the account balance of share draft account(s)
  - the account balance of share savings account(s)
  - the account balance of loan account(s)

**Mobile Banking Transfers - types of transfers** - You may access your account(s) through an app available from your app store (iphone, android) or through <https://mobile.fi-apps.com/OCFF/webkit/> and using your personal identification number, your account numbers, and your multifactor authentication, to:

- ◆ transfer funds from share draft to share draft
- ◆ transfer funds from share draft to share savings
- ◆ transfer funds from share savings to share draft
- ◆ transfer funds from share savings to share savings
- ◆ make payments from share draft to loan account(s) with us
- ◆ make payments from share draft to third parties (Bill Pay)
- ◆ make payments from share savings to loan account(s) with us
- ◆ get information about:
  - the account balance of share draft account(s)
  - the account balance of share savings account(s)
  - the account balance of loan account(s)

#### FEES

- ◆ We do not charge for direct deposits to any type of account.

Except as indicated elsewhere, we do not charge for these electronic fund 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 fund transfer).

#### DOCUMENTATION

- ◆ **Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.
- ◆ **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 us at (516) 620-8100 to find out whether or not the deposit has been made.
- ◆ **Periodic statements.**
  - You will get a monthly account statement from us for all your accounts.

#### 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 transfer.** 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:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) 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:

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) as explained in the separate Privacy Disclosure.

#### UNAUTHORIZED TRANSFERS

##### (a) Consumer liability.

◆ **Generally.** Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check or draft. 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 made available 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 good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

◆ **Additional Limit on Liability for Visa® Debit Card.** Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa Debit Card. This additional limit on liability does not apply to ATM transactions outside of the U.S., to ATM transactions not sent over Visa or Plus networks, or to transactions using your Personal Identification Number which are not processed by VISA. Visa is a registered trademark of Visa International Service Association.

**(b) Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen, call or write us at the telephone number on the card 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 or draft 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.

- (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 (5 business days for Visa® Debit Card point-of-sale transactions processed by Visa and 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 or question. If we decide to do this, we will credit your account within 10 business days (5 business days for Visa® Debit Card point-of-sale transactions processed by Visa and 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 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.

#### OCEAN FINANCIAL FEDERAL CREDIT UNION

45 ATLANTIC AVENUE

OCEANSIDE, NEW YORK 11572

Business Days: Monday through Saturday

Excluding Federal Holidays

Phone: (516) 620-8100

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.

1. 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.
2. 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.

3. Compare your records with the account statements or account histories that you receive.
4. Don't lend your ATM or debit card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. If you lose your ATM or debit card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
7. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM or debit card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM or debit card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. 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.
8. Prevent others from seeing you enter your PIN by using your body to shield their view.
9. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
10. 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 lighted. 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.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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 1-877-BANK NYS (1-877-226-5697).

## NOTICE OF NEGATIVE INFORMATION

Federal law requires us to provide the following notice to members before any "negative information" may be furnished to a nationwide consumer reporting agency. "Negative information" includes information concerning delinquencies, overdrafts or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about members that have not done what they are required to do under our agreement.

After providing this notice, additional negative information may be submitted without providing another 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.**

## YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to all accounts.

Our policy is to make funds from your cash and check deposits available to you generally on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturday, Sunday, and federal holidays. If you make a deposit before 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.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, 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 disclosure for the type of check that you deposited.

### LONGER DELAYS MAY APPLY

**Case-by-case delays.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail or e-mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Safeguard exceptions.** In addition, 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 \$5,000 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 communications 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 seventh business day after the day of your deposit, however, longer holds may apply.

#### **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 \$5,000 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 first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will generally be available on the ninth 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 \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will generally be available on the twelfth business day after the day of your deposit.

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## **TRUTH-IN-SAVINGS DISCLOSURE**

### **SHARE ACCOUNT**

#### **Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

#### **Minimum balance requirements:**

The minimum balance required to open and maintain this account is \$5.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

#### **Transaction limitations:**

Regulation D limits may apply and if so during any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer, telephonic order or instruction, or similar order to a third party.

#### **Par value of a share:**

The par value of a share in this account is \$5.

#### **YOUTH SAVINGS ACCOUNT**

**(Available to members under age 21. If under 18 applicant must have parent/guardian as joint owner. At age 21 account converts to regular share account at current dividend rate.)**

#### **Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will not be compounded. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

#### **Minimum balance requirements:**

The minimum balance to open and maintain this account is \$5.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

#### **Transaction limitations:**

Regulation D limits may apply and if so during any calendar month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, computer or telephonic order or instruction or similar order to a third party.

#### **SHARE DRAFT ACCOUNT**

#### **Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

#### **Minimum balance requirements:**

No minimum balance to open this account.

You must maintain a minimum daily balance of \$5 in your account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

#### **Transaction limitations:**

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

#### **SUPER SAVER ACCOUNT**

#### **Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

**Minimum balance requirements:**

The minimum balance required to open and maintain this account is \$5.

You must maintain a minimum daily balance of \$100 in your account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

Regulation D limits may apply and if so during any month, you may not make more than 6 withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized, automatic, or computer transfer, telephonic order or instruction, or similar order to a third party.

**Fees:**

A fee will be imposed for each transaction in excess of five during a month. See separate fee schedule.

**IRA SHARES**

(Traditional, Roth, Coverdell)

**Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

**Minimum balance requirements:**

There is no minimum balance requirement to open this account.

There is a \$5 minimum to earn dividends.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

No transaction limitations apply to this account unless otherwise stated in the Common Features section. IRS rules may apply.

**CHRISTMAS/VACATION/SPECIALTY ACCOUNT****Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

**Minimum balance requirements:**

The minimum balance required to open, maintain and earn dividends on this account is \$5.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

You may make an unlimited number of deposits without incurring any additional charge.

**SHARE CERTIFICATE/IRA CERTIFICATE**

**Rate Information** - You will be paid the disclosed rate until first maturity, as determined by the credit union Board of Directors.

**Compounding frequency** - Unless otherwise paid, dividends will be compounded every day.

**Crediting frequency** - Dividends will be credited to your account every month. Alternatively, you may choose to have dividends paid to you or to another account every month rather than credited to this account.

**Dividend period** - For this account type, the dividend period is the same as the term, beginning on the date the account is opened, and ending on the stated maturity date.

**Effect of closing an account** - If you close your account before dividends are paid, you will not receive the accrued dividends.

**Minimum balance requirements:**

The minimum balance required to open this account is \$1,000. You must maintain a minimum daily balance of \$1,000 in your account each day to obtain the disclosed annual percentage yield.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Transaction limitations:**

After the account is opened, you may not make additions into the account until the maturity date stated on the account.

You may not make withdrawals of principal from your account before maturity.

You can only withdraw dividends credited in the term before maturity of that term without penalty. You can withdraw dividends anytime during the term of crediting after they are credited to your account. This dividend withdrawal limitation does not apply if you have made arrangements to have dividends paid to you or to another account in lieu of having them credited to this account. IRS rules may apply.

**Time requirements** - Your account will mature as stated on your share certificate.

**Early withdrawal penalties** (a penalty may be imposed for withdrawals before maturity) -

- ◆ If your account has an original maturity of one year or less:

The penalty we may impose will equal up to 90 days dividends on the amount withdrawn subject to penalty.

- ◆ If your account has an original maturity of more than one year:

The penalty we may impose will equal up to 180 days dividends on the amount withdrawn subject to penalty.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

**Withdrawal of dividends prior to maturity** - The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

**Automatically renewable account** - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, dividends will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date unless the certificate was a promotional term or is no longer offered. The dividend rate will be the same we offer on new term share accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original term share account. You will have a grace period of 10 calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

**Non-automatically renewable account** - This account will not automatically renew at maturity. If you do not renew the account, dividends will not accrue after maturity.

**NON-INTEREST BEARING SAVINGS /  
SAFE ACCOUNT**

**Minimum balance requirements:**

The minimum balance required to open and maintain this account is \$5.

**Transaction limitations:**

No transaction limitations apply to this account unless otherwise stated in the Common Features section.

**Par value of a share:**

The par value of a share in this account is \$5.

**COMMERCIAL SHARE DRAFT ACCOUNT**

This account is not a consumer account to which Truth in Savings applies.

**Rate Information:**

The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors.

**Compounding and crediting** - Dividends will be compounded every day. Dividends will be credited to your account every month.

**Dividend period** - For this account type, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends are paid from current income and available earnings after required reserve transfers.

**Minimum balance requirements:**

No minimum balance requirements apply to this account.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**COMMON FEATURES**

**Bylaw requirements:**

If the balance in your Share account falls below the par value of one share, and you do not increase the balance to at least the par value of one share, you may be terminated from membership immediately.

Please refer to our separate rate and fee schedule for additional information about charges.

Check printing ..... (fee depends on style and quantity of check ordered)

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.



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