



Wells Federal Bank
53 First Street SW • PO Box 310
Wells, Minnesota 56097
507-553-3151
FDIC Insured

ELECTRONIC FUND TRANSFERS POLICY - REGULATION E
FOR CONSUMER ACCOUNTS ONLY

The Electronic Fund Transfers Policy, Regulation E, of Wells Federal Bank is approved by the Bank's Board of Directors and is disclosed to customers at the time of account inquiry or opening. The Electronic Fund Transfers that the Bank is capable of handling are indicated below.

Preauthorized credits - Arrangements for certain direct deposits to be accepted into a checking or savings account(s).

Preauthorized payment - Arrangements to pay certain recurring bills from a checking or statement savings account(s).

Electronic check conversion/Point of purchase – Types of transfers - A customer's check can result in an electronic funds transfer. This can happen in several ways. For example:

- Purchase goods or pay for services and authorize a merchant or service provider to convert a check into an electronic funds transfer.
- At the time a customer offers a check to a merchant or service provider, they may be asked to authorize the merchant or service provider to electronically collect a charge in the event the check is returned for insufficient funds. Paying such a fee electronically is an electronic funds transfer.

A customer's authorization to make these types of electronic fund transfers may be expressed in writing or implied through the posting of a sign.

ATM transfers – ACCEL Exchange® Network, Types of transfers, and dollar limitations - Customers may access their account(s) by ATM using an ATM card and personal identification number (PIN) or debit card and PIN, to:

- Obtain cash withdrawals from checking and/or statement savings account(s) with an ATM or Debit Card (a daily cash limit will be disclosed when card is issued). Limits of more than \$500 must be cleared by a Wells Federal Bank supervisor.
 - Transfer funds between checking and savings account(s) with an ATM/Debit Card
 - Obtain information regarding checking or savings account(s) balances with an ATM/Debit Card
- Some of these services may not be available at all terminals.

Types of debit card Point of sale transactions - Access checking account(s) to:

- Purchase goods or pay for services (in person or by phone)
- Obtain cash from a merchant, if the merchant permits, or from a participating financial institution
- Do anything that can be done with a debit card (that a participating merchant will accept with a credit card).

Dollar limitations - A daily cash dollar limit will be disclosed when a Debit card is issued.

Advisory against illegal use - Customers agree not to use 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.

Wells Federal Internet Banking - Customers may access their account(s) by logging on to the Wells Federal Bank website at www.wellsfederal.com, using a computer with a 128-bit encryption capability (minimum), browser software and modem to access to the internet, and user identification and password, to:

- Transfer funds between checking and savings accounts
- Make payments from checking or savings to loan accounts within Wells Federal Bank
- Get information about account balances and activity for the most recent twelve months if enrolled in eStatements.

Bill Pay – Once a customer is enrolled in Internet Banking, they may also use Bill Pay. Bill Pay allows customers to make domestic payments to others. These bill items may or may not be converted into electronic payments.

Mobiliti – Customers enrolled in Internet Banking may use a smart phone application, text messaging or mobile web access to see account activity and make transfers between accounts. If customers are enrolled in Bill Pay, they may use Mobiliti to pay bills to payees previously set up in their Bill Pay using the smart phone application or mobile web access. Mobile deposit capture is also available through the smart phone application.

Popmoney – Popmoney is a personal payment service that allows subscribers to send and receive money to personal payees. This service is available to customers enrolled in Bill Pay. The only information needed from payees is either an email address or a mobile phone number. The

payee is notified either by email or text message that someone has sent them money. The payee will need to sign up for Popmoney, register their email address or mobile phone number and enter their own banking information to claim the funds within 12 days.

Termination - Customers may terminate the electronic fund transfer agreement by written notice to Wells Federal Bank. For transfers preauthorized with a third party, customers should revoke authorization by appropriate notice to the third party. Wells Federal Bank may terminate the electronic fund transfer agreement by written notice to the customer.

FEES

Wells Federal Bank:

- Does not charge for direct deposits to any type of personal account.
- Does not charge for preauthorized payments from any type of personal account.
- Charges \$5.00 for a replacement ATM or Debit Card.
- Charges \$5.00 for replacement PIN.
- Charges \$25.00 for each ACH stop payment order given.
- Charges \$4.00 for returned unpaid payments.
- Charges \$4.95 per month for 15 items paid through basic billing in Bill Pay.
- Charges \$.50 for each additional item over 15 paid through basic billing and preferred billing in Bill Pay.
- Charges \$14.95 for each overnight Bill Pay item.
- Charges \$.50 for each request to send or receive money through Popmoney.
- Except as noted elsewhere, Wells Federal Bank does not charge for electronic fund transfers.

NOTICE REGARDING ATM FEES BY OTHERS

If a customer uses an Automated Teller Machine (ATM) that is not operated by Wells Federal Bank, there may be a fee charged by the operator of that machine and/or by an automated transfer network.

DOCUMENTATION

Terminal transfers - Customers may obtain a receipt at the time any transfers are made to or from accounts using one of the automated teller machines operated by Wells Federal Bank or point-of-sale terminals. A receipt may not print for transactions \$15 or less.

Preauthorized credits - If the customer has arranged to have direct deposits made to an account at least once every 60 days from the same person or company, the person or company making the deposit will notify the customer every time they send Wells Federal Bank the money. The customer can call Wells Federal Bank at 507-553-3151 to inquire whether or not the deposit has been made.

Periodic statements - Customers will get a monthly statement for a transaction deposit account unless there are no transfers in a particular month. In any case, the customer will receive a statement at least quarterly.

OVERDRAFT LOAN

If a customer does not have sufficient funds, and has overdraft loan protection, the amount requested will be advanced and charged to the customer's loan balance. Interest will begin to accrue at that time. Debit card, ATM card, internet banking and bill pay transactions may trigger an advance on an overdraft loan which will result in finance charges being accrued.

PREAUTHORIZED PAYMENTS

Right to stop payment and procedure for doing so - If the customer has notified Wells Federal Bank in advance to make regular payments out of an account, the customer can stop any of these payments by using the following procedures:

-Call or write Wells Federal Bank in time for the Bank to receive the request three business days or more before the payment is scheduled to be made. If the customer calls, the Bank may also require the customer to put requests in writing and get it to Wells Federal Bank within 14 days after the call.

Notice of varying amounts - If these regular payments vary in amount, the person receiving payment will notify the customer, 10 days before each payment, when it will be made and how much it will be. (The customer 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 the customer sets.)

Liability for failure to stop payment of preauthorized transfer - If the customer orders Wells Federal Bank to stop one of these payments three business days or more before the transfer is scheduled, and the Bank does not do so, Wells Federal Bank will be liable for the customer's losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

Liability for Failure to Make Transfers - If Wells Federal Bank does not complete a transfer to or from a customer's account on time or in the correct amount according to the agreement between the Wells Federal Bank and the customer, the Bank will be liable for the customer's losses or damages. However, there are some exceptions. Wells Federal Bank will not be liable, for instance:

- If, through no fault of Wells Federal Bank, the customer does not have enough money in the account to make the transfer.
- If the customer has an overdraft line and the transfer would go over the credit limit.

- If the automated teller machine where the customer is making the transfer does not have enough cash.
- If the terminal or system was not working properly and the customer knew about the breakdown when starting the transfer.
- If circumstances beyond Wells Federal Bank's control (such as fire or flood) prevent the transfer, despite reasonable precautions that have been taken.
- There may be other exceptions stated in the agreement between Wells Federal Bank and the customer.

CONFIDENTIALITY

Wells Federal Bank will disclose information to third parties about a customer's account or the transfers a customer makes:

- Where it is necessary for completing transfers; or
- In order to verify the existence and condition of an account for a third party, such as a credit bureau or merchant; or
- In order to comply with government agency or court orders; or
- If the customer gives Wells Federal Bank written permission.
- Wells Federal Bank may disclose nonpublic personal information about our current or previous customer to our affiliates. (Affiliates are either a holding company for or a subsidiary of Wells Federal Bank.)
- This agrees with the written privacy disclosure of Wells Federal Bank. Please see the privacy disclosure for further details.

UNAUTHORIZED TRANSFERS

Consumer liability - A customer must notify Wells Federal Bank at once if the customer believes a card and/or code has been lost or stolen. Telephoning is the best way of keeping possible losses to a minimum. A customer could lose all of the money in an account(s) (plus the maximum overdraft line on credit. In the case of a lost or stolen access device and the customer has notified Wells Federal Bank within 2 business days of when the unauthorized transfer occurs, Wells Federal Bank will be liable for all unauthorized transfers. The customer can lose no more than \$50 if someone used the card and/or code without permission.

If the customer does **not** notify Wells Federal Bank within 2 business days after the unauthorized transfer occurs, and Wells Federal Bank proves that it could have stopped someone from using the card and/or code without permission if the customer had notified Wells Federal Bank within two days of discovering the loss or theft of the card and/or code, the customer could lose as much as \$500 for unauthorized transfers that occur.

Also, if the statement shows transfers that the customer did not make, the customer must notify Wells Federal Bank at once. If notification is not given within 60 days after the statement was mailed to the customer, the customer may not get back any money lost after the 60 days if Wells Federal Bank proves that it could have stopped someone from taking the money if timely notification had been given.

If a good reason (such as a long trip or hospital stay) kept the customer from notifying Wells Federal Bank, time periods may be extended.

Zero Liability Protection for Lost & Stolen MasterCard - Have peace of mind knowing that the financial institution that issued your U.S. MasterCard card won't hold you responsible for "unauthorized purchases. You will not be liable for any unauthorized transactions using your MasterCard debit card, when used for point-of-sale transactions (now includes PIN-based transactions) if you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit.

Zero Liability does not apply to MasterCard cards issued for commercial, business or agricultural purposes.

Contact in event of unauthorized transfer - The customer should notify Wells Federal Bank if he/she believes a card and/or code has been lost or stolen, or that someone has transferred or may transfer money from the customer's account without permission.

RIGHT TO BRING CIVIL ACTION

A customer may bring a civil action against any person violating any provision of Minnesota Statutes 47.69 (governing consumer privacy and unauthorized withdrawals).

If the customer prevails in such an action, he/she may recover the greater of the actual damages or \$500. The customer may also be entitled to recover punitive damages, court costs and reasonable attorney's fees.

POINT OF SALE TRANSACTIONS

Payments for goods or services made in this manner shall not affect any of the rights, protections or liabilities in existing law concerning a cash or credit sale by means other than through the use of a terminal. The customer can reverse a point-of-sale transaction by contacting the provider of the product of service.

TIME NEEDED FOR TERMINAL TRANSACTIONS

- Withdrawals made at a terminal will normally be completed and charged to a customer's account the first business day after the withdrawal.
- Transfers between accounts will normally be completed the first business day after the transfer.

ELECTRONIC CHECK CONVERSION

When a customer provides a check as payment the customer authorizes Wells Federal Bank either to use information from the check to make a one-time electronic fund transfer from the account or to process the payment as a check transaction.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers

Telephone us at 507.553.3151 Write us at 53 1st St SW, Wells, MN 56097 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 (if any).

(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 verbally, 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 after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign- initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

www.wellsfederal.com

Business days: Monday-Friday, excluding Federal Holidays. Additional information available on request

BRANCHES

Albert Lea
Blue Earth
Fairmont
St. James
Minnesota Lake

Mankato
Owatonna
St. Peter
Wells