

THE POWER LINE CONNECTION

The Power Line Connection – it's your direct line to your credit union.

Staying in touch with your money is as simple as calling The Power Line Connection at Alabama Rural Electric Credit Union. Our toll-free, 24-hour electronic teller service means you have a direct line to your credit union... anytime, 24 hours a day.

The Power Line Connection is confidential. You must use a secret Personal Identification Number (PIN) to access your account. You'll assign this four-digit number when you call into the Connection for the first time.

The Connection is powerful and easy to use. By simply following the prompts, you can inquire about account balances, checks that have cleared, transfer funds, obtain loan rates and terms, and request withdrawals. Simply press the appropriate key on a touch-tone telephone to conduct the transactions or inquiries.

The Power Line Connection is ready when you are – 24 hours a day, seven days a week and 365 days a year. All you need is a PIN and a touch-tone telephone.

It is also free to Alabama Rural Electric Credit Union members. Getting online with the Connection is even easier. Just fill out the attached application add postage and return it to the credit union.

Do it today...and enjoy the power to conduct financial transactions at your own convenience.



EASY AS 1, 2, 3, 4...

1. Dial (800) 554-6805
2. Choose the type of information you need.
3. When requested, enter your credit union account number and PIN.
4. If you have any questions about using the Power Line Connection, contact the credit union at (334) 215-7328 or (800) 381-7328.

After each main menu selection, the Power Line Connection will offer further choices.

Simply press the corresponding key on your telephone to indicate your selection.

To identify specific accounts, use the sub-account trailers shown on your member account statement.

TIPS FOR USING THE POWER LINE CONNECTION

- Don't enter decimals. For example, press 15561# to enter \$155.61
- Don't write down your secret, four-digit PIN. Memorize it instead.
- If it becomes known to an unauthorized user, cancel the PIN by choosing the appropriate option from the main menu then choose and enter your new PIN.
- Use the sub-account codes shown to identify your shares, checking, Christmas Club, loan, etc.
- If you have any questions, call ARECU during business at (334) 215-7328 or toll free at (800) 381-7328.

The Power Line Connection System Application

You hereby request that electronic fund transfers be allowed through Alabama Rural Electric Credit Union for the account(s) designated below, through the credit union's Power Line Connection Telephone Response system. The use of the Power Line Connection system shall be governed by the printed terms and conditions of the Power Line Connection Agreement and the Regulation E Disclosure Statement attached along with such other terms and conditions, or amendments thereto, as may be established from time to time by the credit union and communicated in writing to you.

By signing this application, you authorize Alabama Rural Electric Credit Union to check your credit and employment history and make whatever inquiries necessary in the course of granting access to the Power Line Connection System, reviewing its use or cancellation. You understand that the credit union will retain this application whether or not it is approved. You also agree that if approved, your use of

the Power Line Connection System will bind you to all terms and conditions contained in the Power Line Connection Agreement that you receive. You hereby acknowledge that you have removed the attached Power Line Connection Agreement and the Regulation E Disclosure Statement and will retain for your record.

Applicant's Signature

Co-Applicant's Signature

Date

Account Number



The Power Line Connection Agreement

ALABAMA RURAL ELECTRIC CREDIT UNION "THE POWER LINE CONNECTION" AGREEMENT AND DISCLOSURE STATEMENT

IT IS AGREED THAT:

1. In this agreement the words "you" and "your" mean each person who signs this agreement. The words "we" and "our" mean Alabama Rural Electric Credit Union. The word "PIN" means your personal identification number. The word "Account" means those accounts which you may access by use of your PIN and "The Power Line Connection" system. "The Power Line Connection" system is an electronically automated system that may be accessed by a telephonic device through which, when used in conjunction with a PIN, an electronic fund transfer may be initiated.

2. By signing this agreement, you acknowledge that you have assigned your own PIN. You understand that we do not know your PIN and you agree that you will be responsible for all transfers made by anyone who uses your PIN.

3. You will be responsible for all unauthorized transfers made from your Account by use of your PIN in conjunction with "The Power Line Connection" system, subject to the limitations contained in applicable Federal law. Those limitations of your liability for unauthorized transfers are summarized in the EFT Disclosure #5.

4. You will tell us at once if you believe your PIN has been lost, stolen or discovered by some unauthorized person. The fastest way to notify us is to telephone us at (334) 215-7328.

5. We may terminate or cancel the use of your PIN with "The Power Line Connection" system at any time. We may give you notice of termination or cancellation, but we are not obligated to do so. Your PIN may not be used with "The Power Line Connection" system after we terminate or cancel, and you will discontinue its use immediately. You may terminate or cancel the use of your PIN with "The Power Line Connection" system by giving a written notice to us at our main office. Your written notice of termination or cancellation will become effective not later than the end of the first business day following actual receipt of your notice. The termination or cancellation of the use of your PIN with "The Power Line Connection" system will not affect the liability incurred by you prior to termination or cancellation.

We may change this agreement at any time by mailing a copy of any changes to your last statement address. Changes will be effective on the date that we mail them to you unless we are required, by Federal law, to give you advance notice. Your use of your PIN with "The Power Line Connection" system after the effective date of any change will acknowledge your acceptance of it.

6. You must keep your share account with us open in order for you to use your PIN with "The Power Line Connection" system.

7. Except as changed by this agreement, transactions initiated by the use of your PIN with "The Power Line Connection" system are subject to the rules and agreements covering your Accounts with us and this agreement is made part of and supplemental to those rules and agreements.

8. You will pay any charges that may be approved by our Board of Directors for the use of your PIN with "The Power Line Connection" system. All approved charges will be paid in advance on the anniversary date of this agreement and may, at our option, be charged against any Account which may be accessed by use of your PIN. These charges will not be refunded or prorated.

9. You understand that your PIN when used with "The Power Line Connection" system may be used to, among other things, transfer funds between certain Accounts, withdraw funds from certain Accounts, make advances under certain Accounts and make payments to certain Accounts. For any transaction which initiates a withdrawal or loan advance, the proceeds of which are to be sent to you, we will mail (usually within two business days following the request) the sum requested, by way of a draft made payable to you, to the most recent mailing address listed on the Account.

10. Your PIN will be used only for the type of transactions and to have access to only those Accounts that we have approved for you in advance. If

through some error the use of your PIN with "The Power Line Connection" system permits you to withdraw funds from an account that you should not be allowed to use, we may charge the amount involved to an Account that you can use.

11. Your PIN may not be allowed to overdraw any Account. If you do use your PIN to overdraw an Account, then you will owe us that amount (plus any service charge) immediately and we may, without having to tell you, either take what you owe us from any account you have with us or, if you have a loan with us, treat the overdrawal as a request for a loan advance. If the amount you owe us is not paid, we will be entitled to recover that amount along with any cost we incur in collecting it, including reasonable attorneys' fees as allowed by law.

12. We have no obligation to monitor how your PIN is used or to notify you if we notice any unusual activity with regards to any of your Accounts which may be accessed by use of your PIN.

13. Even though we believe that "The Power Line Connection" system will prove to be reliable, the system may not operate properly at all times. We, therefore, do not promise that "The Power Line Connection" system will always be available for your use. You will not attempt to make a transfer when the system tells you or other circumstances give you reason to believe that the system is closed or is not operating properly due to a technical function or is otherwise unable to initiate the transaction you desire.

14. This agreement may be changed at any time by mailing a copy of any changes to your last statement address. Changes will be effective on the date that we mail them to you unless we are required, by Federal law, to give you advance notice. Your use of your PIN with "The Power Line Connection" system after the effective date of any changes will acknowledge your acceptance of it.

15. In case of errors or questions about your electronic transfers, telephone us at (334) 215-7328 or write us at P.O. Box 240547, Montgomery, AL 36124 as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on the statement. We must hear from you no later than 60 days after we sent you the first statement on which the problem or error appeared.

a) Tell us your name and account number;

b) Describe the error or 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;

c) 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 tell you the results of our investigation 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 desire to do this we will re-credit your account within 10 business days for the amount you think is in error, so that you may have the use of the money during the time it takes us to complete the investigation. If we ask you to put your complaint in writing and we do not receive it within 10 business days, we may not re-credit your account.

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

16. We can delay in enforcing any of our rights under this Agreement without losing them. The fact that we do not enforce our rights in one instance does not mean we will not do so in another instance.

17. This Agreement and all transactions under this Agreement will be governed by Alabama law and applicable Federal law.

18. You hereby acknowledge agreement to all terms and conditions of this Agreement and the Electronic Funds Transfer Disclosure made a part of this Agreement by this reference. You further acknowledge receipt of a copy of this Agreement and the disclosures attached.