

DISCLOSURE UNDER FEDERAL RESERVE BOARD REGULATION E

As a consumer who uses electronic funds transfer (EFT) services, you have certain rights and responsibilities. These rights and responsibilities are defined by the Electronic Fund Transfer Act (15 U.S.C. 1693, et seq.) and Regulation E of the Federal Reserve Board. **THE FOLLOWING PROVISIONS APPLY TO BOTH PREAUTHORIZED ACH DEPOSITS AND REDEMPTIONS TO AND FROM YOUR HAZLETT BURT & WATSON, INC. (HAZLETT) BROKERAGE ACCOUNT:**

1. Type of account.

Preauthorized deposits and redemptions are only permitted to be made to and from Hazlett brokerage accounts.

2. Types of Available Transfers and Limits on Transfers.

- (a) Preauthorized deposits will be made to the Hazlett account you indicated, of payments made by third parties (such as the direct deposit of payroll or recurring payments from the federal government). The frequency and amount of these preauthorized deposits will be subject to the terms of the arrangements, which you have with the third party payer.
- (b) Preauthorized redemptions will be made from your Hazlett account, to the bank account you designated for the transfer. The frequency and amount of these preauthorized redemptions will be subject to the terms of the arrangements, which you have made with Hazlett.
- (c) Redemption requests made by telephone from your Hazlett account, to the bank account designated for the transfer. The frequency and amount of these preauthorized redemptions will be subject to the terms of the arrangements, which you have made with Hazlett.
- (d) Preauthorized deposits will be made to your Hazlett account, from the bank account designated for the withdrawals. The frequency and amount of these preauthorized deposits will be subject to the terms of the arrangements, which you have made with the bank.

3. Documentation of Transfers.

- (a) **Preauthorized Deposits.** If you have made arrangements to have direct deposit of payroll made to your account, the company making the deposit will notify you each time they send money. If you have arranged for the U.S. Government direct Deposit Program, you may verify that a transfer has been made, by calling us at (800) 537-8985
- (b) **Periodic Statements.** You will be provided with an account statement each month, in which a transaction occurs, or at least quarterly.

4. Liability for Failure to Make Transfers.

If we do not complete a transfer to or from your account on time or for the correct amount according to our agreement with you, we may be liable for losses or damages. However, there are some exceptions. We will not be liable in certain situations, such as, but not limited to:

- Through no fault of ours, your Hazlett account did not have sufficient funds to complete the payment.
- Circumstances beyond our control (such as fire, flood or a delay in the transmittal of a payment by mail or otherwise) prevented the proper completion of the payment despite reasonable precautions by us to avoid these circumstances.
- The account(s) was subject to legal process or other encumbrance, such as a levy, restricting such payment.

This list is not exclusive; there may be other exceptions stated in our agreement with you.

5. Liability for Unauthorized Transfers.

You have no liability for unauthorized payments from your Hazlett account provided you have exercised reasonable care to prevent such activity and you notify us immediately if you believe that someone has transferred or may transfer funds from your account without your permission. You agree to protect your account information and not to give or make available your account information to any unauthorized individuals. If you believe that your account information has been compromised or that someone may attempt to transfer money from your account without your consent, you must notify Hazlett immediately at (800) 537-8985.

6. Stopping Payment.

(a) Procedure

If you have told us in advance to make redemptions (payments) from you account, you can stop these payments by calling or writing:

Hazlett, Burt & Watson, Inc.
Attn: Customer Service
1300 Chapline Street
Wheeling, WV 26003
(800) 537-8985

To stop a payment, you must notify us at least three (3) business days before the payment is scheduled to be made. You must confirm your stop payment instructions in writing immediately to assure that they are received within fourteen (14) calendar days after you call.

(b) **Liability to Stop Payment of Preauthorized Payment**

If you order us to stop a preauthorized payment five (5) business days or more before the transfer is scheduled, and Hazlett does not do so, Hazlett will be liable for your reasonable actual losses, subject to the conditions set forth in "Liability for failure to make transfers" section.

(c) **Fee**

You may be charged a stop payment fee of \$15.

7. **Business Days / Hours of Operation.**

Business days are Monday through Friday, excluding New York Stock Exchange holidays and regional bank holidays, 8:00 a.m. to 5:00 p.m. (Eastern Time).

8. **Fees.**

There are no fees associated with preauthorized redemptions or deposits.

9. **Disclosure of Account Information.**

It is our general policy to treat your account information as confidential. However, Hazlett will disclose information to third parties about your account or the transfers:

- Where it is necessary to complete transfers; or
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- In order to comply with government agencies, subpoenas, summons, search warrants or court orders; or
- If you have given us written permission.

10. **In Case of Errors or Questions About Your Electronic Transfers.**

You have the duty to exercise reasonable care to examine your account statement and report any discrepancies immediately. If you think your account statement is wrong or if you need more information about payments listed on your statement, telephone us at (800) 537-8985, or write us. If you tell us orally, Hazlett requires that you send us a written affidavit regarding your complaint or question within ten (10) days to:

Hazlett, Burt & Watson, Inc.
Attn: Customer Service
1300 Chapline Street
Wheeling, WV 26003
(800) 537-8985

We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared. If you do not tell us within sixty (60) days, you may lose any amount transferred without your authorization. When notifying us, you must provide:

- i. Your name and account number,
- ii. A clear description of the error or the transfer you are unsure of or about which you need more information, and
- iii. The dollar amount and date of the suspected error.

Hazlett will tell you the results of our investigation within ten (10) business days after we learn of the discrepancy and if we determine there was an error, we will correct such error promptly. However, if we require more time, we may take up to forty-five (45) calendar days to investigate your complaint or question. If we determine that there was no error, we will send you a written explanation within three (3) business days after we complete our investigation. Further, Hazlett may impose service charges based upon the time spent and the expense incurred in connection with your inquiries, if it is determined that Hazlett is not the party in error. Hazlett, if appropriate, will not recredit your account until our investigation is complete.

11. **Amendment.**

Hazlett may amend any of the above terms and applicable fees from time to time upon thirty (30) days notice to you. Further, we reserve the right to terminate our agreement with you.

Please keep this information for further reference.