

Northland Area Federal Credit Union

Home Banking & Bill Payment Agreement

IMPORTANT INFORMATION ABOUT THIS AGREEMENT:

YOU ARE PREPARING TO RECEIVE REQUIRED CONSUMER DISCLOSURES IN AN ELECTRONIC FORM. THEREFORE, THIS AGREEMENT SERVES THE FOLLOWING TWO PURPOSES:

- **OBTAIN YOUR AFFIRMATIVE CONSENT TO RECEIVE THE REQUIRED CONSUMER DISCLOSURES IN ELECTRONIC FORM AND PROVIDE YOU WITH A CLEAR AND CONSPICUOUS STATEMENT ABOUT YOUR RIGHTS IN REGARD TO RECEIVING ELECTRONIC CONSUMER DISCLOSURES AS OUTLINED IN THE ELECTRONIC RECORDS AND SIGNATURES IN COMMERCE (E-SIGN) ACT, AND;**
- **PRESENT YOU WITH THE REQUIRED CONSUMER DISCLOSURES FOR THE NORTHLAND'S HOME BANKING AND BILL PAY SERVICES**

ELECTRONIC COMMUNICATIONS

Northland's Home Banking and Bill Pay services are an electronic internet based service. Therefore, you understand that this Agreement will be entered into electronically.

- You have the right to have this disclosure provided or made available on paper or in non-electronic form;
- You have the right to withdraw the consent to have the disclosure provided or made available in an electronic form, but this will result in the termination of your Home Banking and Bill Pay service;
- The consent to receive electronic consumer disclosures applies to all future required consumer disclosures in connection with the Home Banking and Bill Pay service;
- You can update your electronic contact information by using the User Maintenance function within the service or calling the Customer Service number noted in this document;
- After agreeing to receive this disclosure in electronic form, you may request a paper copy of this consumer disclosure by calling the Customer Service number noted in this document;
- You understand that to access and retain this disclosure and to use the Home Banking and Bill Pay service, you must have the following: a PC with an Internet browser that has "cookies" enabled and supports 128 bit encryption, an Internet connection for the PC, an e-mail address, and either a printer of sufficient electronic space to store this disclosure.

Electronic Contact Information

- In order to keep you informed of changes to this disclosure, we must distribute the new disclosure to you when changes are made. We will distribute the new disclosure to the electronic mail address you register with the Home Banking and Bill Pay service. If an email is returned as "undeliverable", we will deliver to a secondary electronic mail address, if we have one on file, or, if there is no secondary electronic mail address, we will send a hard copy of any changes to your physical mail address that is on record with us. In order to ensure timely notification of any changes, please notify us on a timely basis of a change in your electronic mail address or physical mail address.

Introduction

This Home Banking and Bill Payment Agreement is between Northland Area Federal Credit Union and each member who has enrolled in our Home Banking and Bill Pay service, together with any person you have authorized to use or access this service on your behalf.

SECTION I – SERVICE DESCRIPTION, FEATURES, FEES, AND LIMITATIONS

Availability

The Home Banking and Bill Pay service is generally accessible 24 hours a day, seven days a week. This service may be inaccessible for a reasonable period of time weekly to perform system maintenance. We reserve the right to suspend or terminate access to this service for any reason without notice.

Business Day Definition

Monday through Friday excluding Federal Holidays

Home Banking Service

The home banking service allows you to perform the following activities on eligible accounts:

- Review activity and recent transactions.
- Transfer funds among eligible accounts.

Bill Payment Service

The bill payment service allows you to pay bills out of a designated account on a one-time or periodic basis to payees that you designate subject to the limitations described below.

BILL PAYMENT LIMITS

You may not schedule a single bill payment for greater than 364 days

“SEND ON” DATE vs. “DELIVER BY” DATE

When scheduling a bill payment, note the difference between the “SEND ON” date and the “DELIVER BY” date. The “SEND ON” date is the date we will attempt to deduct the payment amount from your designated account. If the attempted deduction fails because you did not have enough funds in your primary account, we will send you an email indicating this situation. If the second attempted deduction is not successful, the transaction will be cancelled and you will be responsible for rescheduling. If the second attempted deduction is successful, the payment will be processed and remitted to the payee, however the “DELIVER BY” date will be one business day later. If you receive an email because the first attempted deduction was not successful, you should access Home Bill Pay to determine the date of the second deduction attempt

If you schedule a payment with the “SEND ON” date as the current date, you must have adequate funds in your account at the time the payment is scheduled. The funds will be deducted shortly after you log out of the session. If you schedule a payment with the “SEND ON” date in the future, there must be adequate funds in your account when we attempt the deduction. This can occur anytime between 12:01 am and 4:00 pm EST.

The “DELIVER BY” date is the date that you can expect the payee to receive your payment. The “DELIVER BY” date for your payment should be no later than the due date the payee has indicated for the payment.

PAYMENT GUARANTEE

If a properly scheduled payment is not received and posted on time by the payee, we will attempt to remove any late fees or assessed finance charges. (Finance charges are calculated based on your payment amount rather than your entire balance.) If the payee is unwilling or unable to remove them, we will pay the fees and finance charges directly to the payee. In addition, we will attempt to add a note of explanation to your account to ensure that the situation does not negatively impact your credit rating.

The Payment Guarantee applies to late fees and/or finance charges associated with the late posting of a payment, provided that the following conditions are met:

1. The payment was scheduled to be delivered on or before the due date of your bill, excluding any grace periods.
2. The payment was not made to a prohibited payee (see below) or the following type of payee:
 - Payments to payees located in the Armed Forces Postal Codes, such as AE & AP
 - Payments to settle securities transactions
 - Payments to payoff special or delayed financing for purchases
 - Payments to credit counseling agencies who pay creditors on your behalf
3. The information supplied by you is correct (payee name and address, your name and account number as it appears on the payee's records).
4. You had sufficient funds in your account during our first deduction attempt on the "SEND ON" date.

We will only be responsible for the direct fees or finance charges associated with the late payment. We will not be responsible for any other consequential damages that might arise from the late payment. ***The direct fees or finance charges we are responsible for are limited to those charges or fees associated with the first \$25,000.00 on payments greater than \$25,000.00***

PROHIBITED PAYEES

We will not process payments on your behalf to payees meeting any of the following criteria:

- Designated by the Office of Foreign Asset Control as being a prohibited payee
- Having an address outside of the United States (except for APO)
- Court-ordered payments such as alimony, child support, speeding tickets, etc.
- Tax entities
- Collection agencies

If a payment to a prohibited payee is inadvertently processed, the payment guarantee outlined above does not apply to that payment, and we reserve the right to not process a payment to that payee in the future.

CANCELLING BILL PAYMENTS

We may cancel a bill payment if we have reasonable belief that the payment is fraudulent. If we cancel a payment, we will attempt to contact you to inform you of this action.

You may cancel an outstanding bill payment at anytime through the Bill Pay service. Bill payments are considered outstanding until the "SEND ON" date.

You can cancel a "Recurring" transaction by verbal or written no later than 3 business days before the "SEND ON" date of the transaction by contacting Customer Service at the address or phone number listed in this agreement. If you call, we may also require you to put your request in writing and provide it to us within fourteen days. The notice must detail whether the cancellation applies to only one of the recurring transactions, or all transactions in the recurring stream.

INTERNET EMAIL NOTIFICATIONS

It is important to keep a current Internet email address on file with us, as we use this to communicate important security events about your account to you such as:

- Password changes
- User ID changes

- Internet email address changes
- Adding New Payees

SERVICE TERMINATION

We may terminate your participation in Home Banking and/or Bill Pay for any reason, at anytime. We will attempt to notify you in advance, but we are not obliged to do so.

You may not terminate your participation in Home Banking and/or Bill Pay if you have outstanding bill payments scheduled. If you have no outstanding bill payments you can terminate service participation by calling Northland Area Federal Credit Union at 800-336-2328.

SECTION II – WARRANTIES AND RESPONSIBILITIES

MEMBER RESPONSIBILITIES AND WARRANTIES

SECURITY

You are responsible for keeping your user id, password, and account data confidential. We are entitled to act on transaction instructions received through your user id and password. Our call center personnel are entitled to act on instructions after they have properly authenticated the caller according to our internal procedures.

JOINT ACCOUNTS

If any of the accounts that you register under Home Banking and/or Bill Pay is a joint account, you confirm that your joint account holder has consented for you to use that accounts with this service. We will end your use of Home Banking and/or Bill Pay if any joint account holder notifies us that (i) they never consented to your use of the service, (ii) the joint account can no longer be operated on your instructions alone, or (iii) they are withdrawing consent for you to operate the joint account.

GENERAL WARRANTIES

You warrant and represent that the information you are providing us with is true, correct and complete.

You agree not to impersonate any person or use a name that you are not authorized to use. You agree to promptly update your registration records if your e-mail address or other information changes.

You warrant that you will not use the Home Banking or Bill Pay service for any purpose that is unlawful or is not permitted, expressly or implicitly, by the terms of this Agreement or by any applicable law or regulation. You further warrant and represent that you will not use the Service in any manner that could damage, disable, overburden, or impair the Home Banking or Bill Pay service or interfere with any other party's use and enjoyment of the Home Banking or Bill Pay service.

Northland Area Federal Credit Union's RESPONSIBILITIES AND WARRANTIES

If we do not provide a bill payment instruction on time, if we cause an incorrect amount to be removed from an account or if we cause funds from an account to be transferred to any account other than the account or payee's account specified in the applicable bill payment instruction, we shall be responsible for returning the improperly transferred funds and/or for directing any misdirected funds to the proper account or intended payee's account.

We are liable for any losses and damages arising from our gross negligence or willful misconduct or if we breach a representation or warranty to you.

Limits of Northland's Responsibilities

EXCEPT AS EXPRESSLY SET FORTH ON OUR WEB SITE OR IN THIS AGREEMENT, WE DISCLAIM ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING NON-INFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS.

WE WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND RESULTING FROM THE USE OF OR THE INABILITY TO USE THE HOME BANKING OR BILL PAY SERVICE, INCLUDING DAMAGES FOR LOSS OF PROFITS, USE, DATA OR OTHER INTANGIBLES, EVEN IF WE HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Privacy and Security

You can see a full description of our privacy and security policies by clicking on the “Privacy Policy” and “Security Policy” links on the help page for the Home Banking and Bill Pay service. As is more fully described in the “Security Policy” link, we have multiple levels of security that have been designed especially for us and all of your personal and financial information will be placed on a secure portion of our website. We do not use any persistent “cookies” on the browser to store any personal information.

As discussed in more detail in the “Privacy Policy” link, we will only disclose information to third parties about your account or the bill payments you make:

- Where it is necessary for completing bill payments, or
- In order to comply with government agency or court orders, or
- If you give us your written permission.

SECTION III – ERRORS / CORRECTIONS / CLAIMS

Unauthorized Access/Transfers

Notify us AT ONCE if you believe your password has been lost or stolen or if you believe someone has scheduled payments or may schedule payments or otherwise use your account without your permission. Telephoning us at 800-336-2328 promptly is the best way to protect yourself from possible losses.

If you never tell us, you could lose all of the money in your account (plus your maximum overdraft line of credit). However, if you tell us within two Business Days, you can lose no more than \$50 if someone used your password without your permission. If you do NOT tell us within two Business Days after you learn of the loss or theft of your password, and we can prove we could have stopped someone from using your password without your permission if you had told us, you could lose as much as \$500.

Error Reporting Process

In case of errors or questions about the Home Banking and/or Bill Pay service, funds transfers or incorrect statements, write to us at P.O. Box 519, Oscoda, MI 48750 or telephone us at 800-336-2328. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

In your communication of the potential error or question,

1. Tell us your name, and the account number of the Account to which the error relates.
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is in 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 we committed an error 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 take the additional 45 days, we will adjust the applicable accounts within 10 Business Days for the amount you believe is in error, so that you or your intended recipient will have use of the money during the

time it takes us to complete our investigation. If we ask you to put your question or complaint in writing and we do not receive it within 10 Business Days, we may not adjust the applicable accounts.

We will tell you the results within three Business Days after completing our investigation. If we decide that we did not make an error, we will send you a written explanation. You may ask for copies of the documents we used in our investigation.

We are not responsible for errors, delays and other problems caused by or resulting from the action or inaction of other financial institutions. Although we will try to assist you in resolving any such problems, you understand that any such errors, delays or other problems are the responsibility of the relevant financial institution or the intended recipient of funds. Any rights you may have against a financial institution for such errors, delays or other problems are subject to the terms of the agreements you have with such financial institution, including any time limits during which complaints must be made.