



FIRST SOURCE
FEDERAL CREDIT UNION

You're First.

First Source Federal Credit Union
4451 Commercial Drive
New Hartford, NY 13413
(315) 735-8571
(800) 735-8571

MEMBER BILLPAY TERMS OF AGREEMENT AND DISCLOSURE

The Internet Bill Payment Agreement and Disclosures ("Agreement") apply to your use of memberBILLPAY, which permits you to access your accounts with us via the Internet for services selected by you and agreed upon by us. This agreement contains the terms and conditions governing memberBILLPAY, including disclosures required by federal law.

The following information describes the types of bill payment services, which are available to members together with your rights and responsibilities concerning these transactions, including your rights under the Electronic Funds Transfer Act. The term electronic fund transfer means any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. If your account(s) involves such transfers, you have certain rights under law, which is described below.

In this agreement the words "you" and "your" means each depositor on an account accessible by this online service. The words "we", "our" and "us" means First Source Federal Credit Union. The words "bill payment" refers to our Internet bill payment application designed for your online convenience. "Account" means your deposit or loan account with us. The word "Payee" means the biller to whom you wish a bill payment to be directed.

You agree that we may provide by electronic communication any notice, communication or disclosure required to be provided orally or in writing to you. But we may require written confirmation from you of your electronic communications with us.

PLEASE READ THIS DOCUMENT CAREFULLY. You may want to print or save this document for future reference, or if you would like to receive a paper copy you may call us at 315-735-8571 or 1-800-735-8571.

Information about memberBILLPAY. You can pay bills either on an automatic recurring basis or periodically as you request. You must designate which of your accounts will be used for bill payments.

Bill payments are processed either through an electronic transmission to the payee or by check drawn from your Credit Union share draft account which we mail to the payee. Payees who receive electronic delivery will receive your bill payment information, including your account number with the payee, through a secure network. All Credit Union share drafts are sent through the U.S. mail. Payments made by check are generally received and credited by most payees within five to seven business days. If we receive any payment instructions from a payee, we may follow those instructions, to help ensure that the bill payment is received by the payee and promptly credited to your account.

Authorization. By subscribing to memberBILLPAY, you acknowledge that you have received and read this agreement and agree to its terms and conditions. You also acknowledge that this agreement has been accepted by one or more of the persons who established the subject account with us.

By choosing to use memberBILLPAY you agree that the terms and conditions in this agreement, and any amendments or changes hereafter, apply to you and any others whom you permit to use memberBILLPAY. If you do not agree with the terms and conditions, you may not use memberBILLPAY. By using memberBILLPAY, you consent to the electronic transmission of personal financial information. Your consent will be deemed effective for as long as you use memberBILLPAY.

Business Days. Our normal business days for this service are Monday through Friday. Holidays are not included.

Fees. You authorize us to charge you service fees identified in our current Fee Schedule, and it may be amended by us from time to time. Our fee schedule is available on our website at fsource.org or by calling 315-735-8571 or 1-800-735-8571. You are responsible for any and all telephone access fees or Internet service fees that may be assessed by your telephone and/or Internet service provider.

Documentation of Transactions. Your account activity will appear on your periodic account statement. You agree to review your account statement promptly after you receive it. If your account statement shows a transaction that you did not authorize, you must notify us at once as described below under Your Liability.

Access and Functions. Using your computer or other Internet-access device, you can access memberBILLPAY 24 hours a day, 7 days a week, except during any special or scheduled maintenance periods or in the event of an emergency or malfunction.

Hardware and Software Requirements. To use memberBILLPAY, you must have an Internet browser that meets our minimum requirements (The latest versions of Internet Explorer, Firefox, and Safari is recommended), and Internet access to use this service. You are also responsible for any defect, malfunction or interruption in service or security due to hardware failure, your choice of Internet service provider and systems and computer services. We are not responsible for any errors or failures caused by any malfunction of your computer, and we are not responsible for any computer virus or related problems that may be associated with the use of memberBILLPAY, your computer or other Internet-access device.

Password and Security. Using your memberONLINE password has the same effect as your signature authorizing transactions. You agree to safely keep the password, not to record the password or otherwise disclose or make the password available to anyone other than authorized users of your account(s). The Credit Union is not responsible for establishing the identity of any person using your password. If anyone uses your password with your permission, you will be responsible for any transactions performed by that person, even if that person exceeds the authority given.

Adding Access. By authorizing members to access your account they will be granted full permission to perform transactions online on your behalf. Access is limited to memberONLINE only and will not apply to other transaction channels such as the branch or phone. This authorization does not limit your liability as the account holder.

You hereby release the Credit Union from any and all liability, and you agree not to make a claim or bring any action against the Credit Union, for honoring or allowing any actions or transactions by a person to whom you have allowed account access, whether that person is a joint account holder or a person who has gained access to your password.

Your Liability. Tell us **at once** if you believe your password has been lost, stolen or otherwise became available to an unauthorized person. Please contact us immediately by telephone or in writing. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your accounts (plus your maximum overdraft line of credit).

If you believe your password has been lost, stolen or otherwise became available to an unauthorized person and you notify us within 2 business days after you learn of the loss or theft you can lose no more than \$50 if someone used your password without your permission. If you do not tell us within 2 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.

Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within 60 days after the statement is mailed to you, you may not get back the money you lost after 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

How to Notify Us in the Event of an Unauthorized Transaction. If you believe that your password has been lost, stolen or that someone transferred or may transfer money from your account without your permission, call (315) 735-8571 or 1-800-735-8571, or write:

First Source Federal Credit Union
ATTN: Deposit Operations
4451 Commercial Drive
New Hartford, NY 13413

Notices by Internet e-mail to the Credit Union are not acceptable and will not be acted upon by the Credit Union.

Our Liability for Failure to Process a Bill Payment. We will use our best efforts to make all your bill payments according to your payment instructions. We will, however, incur no liability if we are unable to complete any bill payments initiated by you because of the existence of any one or more of the following circumstances:

1. If the bill payment would exceed the maximum permitted bill payment amount or your account balance, or your account has been re-titled, closed, blocked for security reasons, or subject to legal process or other encumbrances restricting the transfer.
2. If the bill payment processing center is not working properly, and you know or have been advised by us about the malfunction before you execute the transaction.
3. If the payee mishandles or delays a bill payment sent by us.
4. If you have not provided us with the correct names, phone numbers, or account information for those persons or entities to who you wish to direct payment (payee).
5. If circumstances beyond our control (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction, and we have taken reasonable precautions to avoid those circumstances.
6. If you have not properly followed the instructions for using this service.
7. If your operating system is not properly installed or functioning properly.
8. For errors or failures from any malfunctions of your browser, Internet service provider, computer software, computer virus or other problems relating to the computer equipment you use, including, without limitation, your inability to access the web site or any part of the application.
9. For a failure to provide access or for interruptions in access due to system failure.

Provided none of the foregoing exceptions to the service performance obligations is applicable, if memberBILLPAY causes an incorrect amount of funds to be removed from your account, we shall be responsible for returning the improperly transferred funds and dividends to your account. If memberBILLPAY causes funds from your account to be directed to an incorrect payee, you agree to help us recover funds directed to the incorrect payee. We will make every effort to direct to the proper recipient any previously misdirected bill payments.

In Case of Errors or Questions. Notify us as soon as you can, if you think your statement is wrong or you need more information about a transfer listed in the statement. We must hear from you no later than 60 days after we sent the 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.
4. Please also include a telephone number at which you can be reached in the event we need any additional information.

If you tell us orally, we retain the right to require that you send us your complaint or questions in writing within 10 business days. Notices by Internet e-mail to the Credit Union are not acceptable and will not be acted upon by the Credit Union.

We will attempt to determine whether an error occurred within 10 business days (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 with provisional credit, within 10 business days (20 business day if the transfer involved a new account) for the amount that 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 initial deposit is made, unless you already have 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. If you received credit during the investigation, your account will be debited at that time. You may request copies of the documents that we used in our investigation.

Your Payee Records. Payee records are created by you and include all the necessary data to make your payment, such as the payee name, address, telephone, and account number.

You may add and edit payees within memberBILLPAY. The Credit Union may update these records without any further notification to correct errors or update account information as provided by the payee in order to process your payment. A payee record will indicate the processing method of "Check" or "Electronic".

It is your responsibility to properly maintain your payee information. The Credit Union is not responsible if a bill payment transaction cannot be processed by the payee and/or is misrouted due to invalid, incomplete, or outdated payee information provided by you.

Prohibited Bill Payment and Service Limitations. Payments may be only to payees with a United States address. You agree to not make a bill payment of alimony, child-support, taxes or other governmental fees, or court-directed payments.

We reserve the right to refuse to pay any merchant or other person to whom you may direct a bill payment. We are obligated to notify you promptly if we decide to refuse to pay a Payee. This notification is not required if you attempt one or more of the prohibited bill payments set forth above.

Scheduling a Payment. Payments can be scheduled to any payee on your account from any Checking Account at the Credit Union. You can schedule payments at any time with a per payment minimum of \$1.00 and per payment maximum of \$5,000.00. Payments are scheduled on the date you wish the funds to be withdrawn from your account and may be set up Sunday through Saturday.

Each payee record contains an indicator on the payment method of "Check" or "Electronic". It is your responsibility to allow sufficient days from the withdrawal date for check or electronic payments to be received and processed by your payee. It may take one (1) to three (3) business days for electronic payments and up to seven (7) business days for check payments to be received and processed by your payee. At times, check payments may be delayed by the payee processor. The Credit Union will not be responsible for such delays.

The Credit Union may restrict your account from scheduling further payments in the event you have a delinquent loan or your account fails to comply with guidelines specified within this document.

memberBILLPAY checks are void after ninety (90) days from the issue date. We may from time to time send you an e-mail notification reminder whenever a check payment has not cleared. You are responsible for any late payments, late fees, interest payments and service fees charged by your payee(s) and for allowing sufficient time for bill payments to be processed so that funds can be delivered to the payee on or before the due date.

The memberBILLPAY service provided is responsible only for exercising ordinary care in making payments upon your authorization and for mailing or sending a payment to the designated payee in accordance with this Agreement. The Credit Union is not liable for any damages you incur if you do not have sufficient funds in your designated Checking Account to make the payment on the processing date, if the estimated time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of payee address or account number, the failure of any payee to credit the account correctly for payment in a timely manner, or for any other circumstances beyond the control of the Credit Union.

We may charge bill payments against the account even though the charge creates an overdraft. In some instances you will receive a return notice from us. In these cases, you agree that a non-sufficient funds (NSF) fee will be charged in accordance with the Credit Union's established fee schedule. Further, you also agree that a NSF fee may be charged to your account even if the payment is not returned but is paid and overdraws your payment account. If you overdraw your account, you agree to immediately pay us the overdrawn amount together with any applicable fees. If the account is maintained in connection with an overdraft credit plan, any overdraft will be made in accordance with the agreement or rules governing that account rather than this agreement.

By enrolling for and using memberBILLPAY you agree that we have the right to collect funds from all of your accounts to recover funds for all payments that have been requested to be paid through memberBILLPAY; this includes accounts on which you are the primary member-owner, as well as accounts on which you are the joint owner.

Canceling a Payment. You may cancel or edit a pending bill payment until such time that the transaction is processed, by selecting and accurately completing the appropriate fields from within memberBILLPAY. If we do not receive your complete and accurate instruction canceling or editing a bill payment prior to such times, we will process the transaction. This section applies to a recurring or a one-time transaction.

If your account number, or any other information changes, or if you wish to add or delete payees, you must enter all such designations and changes in the appropriate fields through memberBILLPAY prior to the processing date. You authorize us to make all changes submitted by you or any other person having access to your password and account information.

Termination or Discontinuation. In the event you wish to discontinue memberBILLPAY you must notify us in writing. Written notice of service discontinuance must be sent to: First Source FCU, ATTN: Deposit Operations, 4451 Commercial

Drive, New Hartford, NY 13413. If you notify us verbally, you must also send us written notification. Notices by Internet e-mail to the Credit Union are not acceptable and will not be acted upon by the Credit Union. Any one person who is joint on the account is eligible to terminate this service.

Once we have acted upon your closing notice, we will make no further transfers, payments or transactions from your account, including transfers, payments or transactions you have previously authorized.

We may modify, suspend or terminate your privilege of using memberBILLPAY and may withhold approval of any transaction, at any time, without prior notice to you. In the event we terminate your privileges, we will try to notify you in advance but are not required to do so. You will be notified as soon as practicable. Neither termination nor discontinuation shall affect your liability or obligation under this agreement. If either you or we end your rights to use memberBILLPAY, we will no longer be required to complete any of your bill payment transactions. You will remain obligated to us under this agreement for all your bill payment transactions, even if they occur or are completed after this agreement is ended.

Disclosure of Account Information to Third Parties. We will not disclose information to third parties about your account or the transfer you make except:

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 a government agency or court order, or
4. If you give us written permission, or
5. In order to advise third parties that your account was closed for misuse.

Information Authorization. In order to facilitate memberBILLPAY or investigate fraud, it may be necessary to obtain additional information from other financial institutions, merchants or consumer credit reporting companies. By accepting and using memberBILLPAY, you agree that we have the right to request a review of your credit rating at our expense through an authorized bureau. In addition, you authorize us to obtain information regarding your bill payment transaction from a merchant or other payee to resolve payment-pending problems.

Amendment. We may amend or change the terms and conditions, including all applicable fees and service charges, of this agreement at any time. We will provide you with at least 30 days notice if any amendment results in a greater cost or liability to you or otherwise reduces access to your account, unless an immediate change in terms or conditions is necessary to maintain or restore the security of the system or your accounts. The notice will be sent to you at your address shown on our records, unless you have notified us, in writing, of another address.

Any use of the services after we send you notice of the change or amendment will constitute your agreement to such change(s) or amendment(s). If you do not agree to the change or amendment, you must notify us prior to the effective date of the change or amendment and cancel your access to memberBILLPAY.

Governing Law. The laws of the United States and the State of New York govern this agreement.

(12/12)