



BILL PAY SERVICE AGREEMENT AND DISCLOSURE

This Bill Pay Agreement and Disclosure ("Agreement") provides information about and contains terms and conditions governing your use of the Bill Pay service offered by LOC Credit Union (the "Credit Union") and its third-party licensors and service providers ("Service Providers"). This Agreement shall be an addendum to the existing Electronic Funds Transfer Agreement/Disclosure that you have previously entered into with the Credit Union.

The terms and conditions of your Membership and Account Agreement, Digital Banking Agreement and Disclosure, and any disclosures as well as any other agreements with the Credit Union ("Related Agreements") shall remain in full force and effect notwithstanding any provision in this Agreement to the contrary. In the event of an inconsistency between this Agreement and the Related Agreements, this Agreement shall control to the extent of the inconsistency.

You understand that by using the Bill Pay service you agree to the terms and conditions set forth in this Agreement, as amended from time to time. By enrolling and/or using Bill Pay, or authorizing another to use the service, you agree to comply with these terms and conditions. Your initial use of Bill Pay constitutes your acceptance and agreement to be bound by these terms and conditions.

A. General Description

You may use Bill Pay to make payments from your designated checking account to the "Payees" you choose in accordance with these terms and conditions. In order to use Bill Pay, you must have a checking account with the Credit Union. The checking account must be designated as your "Eligible Transaction Account" for transactions accomplished through Bill Pay. You may access Bill Pay through our digital banking platform. You authorize us to utilize any processor of our choice to provide this service to you.

B. Service Fees

There is no activation fee or monthly service fee for the use of Bill Pay, however there is a fee for expedited payment deliveries. These fees will be disclosed to you at time of set up.

We reserve the right to institute or change the amount of service fees at any time. We will mail or deliver a written notice to you at least 30 days before the effective date of any change in fee amounts. If you do not have sufficient available funds in your Eligible Transaction Account on the date the fee or charge is payable, you authorize the Credit Union to automatically deduct the charge from your Eligible Transaction Account as soon as funds are available or from any other account you own at the Credit Union.

C. Log In and Security Features

You represent that you have considered the security procedures of Bill Pay and find that the security procedures are commercially reasonable. In reaching this determination, you have considered the size, type and frequency of bill payments that you anticipate making through Bill Pay. If, in your judgment, the security procedures are not commercially reasonable, or if the size, type and frequency of your transfers change, and the result is that the security procedures cease to be commercially reasonable, you must inform us within 30 days.

D. How to Set Up Payees and Payments

If you want to add a new Payee, select the “Payee” tab. You may add a new fixed payment to a “Payee” by accessing the service and entering the appropriate information. Most other additions, deletions, or changes can be made in the same manner. You may pay any “Payee” with-in the United States (including U.S. territories and APO’s / AEO’s). We reserve the right to refuse the designation of a “Payee” for any reason in our sole discretion. We are not responsible for payments that cannot be made due to incomplete, incorrect, or outdated information.

E. THE BILL PAYING PROCESS

1. **Single Payments.** A single payment will be processed on the business day (generally Monday through Friday, except certain holidays) that you designate as the payment’s processing date, provided the payment is submitted prior to the daily cut-off time on that date. The daily cut-off time is currently 3:00 p.m. Eastern Standard Time as observed in Farmington, Michigan. A single payment submitted after the cut-off time on the designated process date will be processed on the next business day. If you designate a non-business date (generally weekends and certain holidays) as the payment’s processing date, the payment will be processed on the first business day following the designated processing date.
2. **Recurring Payments.** When a recurring payment is processed, it is automatically rescheduled by the Bill Pay system. Based upon your selected frequency settings for the payment, a processing date is calculated for the next occurrence of the payment. If the calculated processing date is a non-business date (generally weekends and certain holidays), it is adjusted based upon the following rules:

If the recurring payment’s “*Pay Before*” option is selected, the processing date for the new occurrence of the payment is adjusted to the first business date prior to the calculated processing date.

If the recurring payment’s “*Pay After*” option is selected, the processing date for the new occurrence of the payment is adjusted to the first business date after the calculated processing date.

If your frequency settings for the recurring payment specify the 29th, 30th, or 31st as a particular day of the month for processing and that day does not exist in the month of the calculated processing date, then the last calendar day of that month is used as the calculated processing date.

3. **Estimated Arrival Date.** The system will calculate the Estimated Arrival Date of your single and recurring payments. This is only an estimate, so it is important that you allow ample time for your payments to reach your Payees.
4. **Cancelling a Payment.** A bill payment can be changed or cancelled any time prior to the cutoff time on the scheduled processing date. Stop payments may only be requested on or after the date funds are withdrawn from your checking account. There will be a fee deducted from your account for each stop payment request.
5. **Information concerning Bill Pay transactions will be shown on your periodic statement for your Eligible Transaction Account.**

F. FAILED OR RETURNED PAYMENT INSTRUCTIONS

If we are unable to complete the your payment instruction for any reason associated with your Eligible Transaction Account, (the payment instruction may not be completed. For example, if there are insufficient available funds in your Eligible Transaction Account, or the payment instruction would exceed the credit or overdraft protection limit of your Eligible Transaction Account, the payment will be cancelled. Where a payment instruction is cancelled, we will send you a notice via email. In each such case, you agree that:

1. You will reimburse the Credit Union immediately upon demand in the amount of the payment instruction if we have delivered the payment to the Payee but there are insufficient available funds in, or insufficient available overdraft credits associated with, your Eligible Transaction Account to allow us to complete the debit processing;
2. You may be assessed a fee if the payment instruction cannot be debited because you have insufficient available funds in your Eligible Transaction Account, or the transaction would exceed the credit or overdraft protection limit of your Eligible Transaction Account, to cover the payment instruction, or if we cannot otherwise collect the funds from you; the fee amount will be as set forth in our Fee Schedule. You hereby authorize us to deduct these amounts from your designated Eligible Transaction Account, including by ACH debit;
3. You will reimburse us for any fees or costs we incur in attempting to collect any amounts from you; and
4. You authorize us to report the facts concerning the return to any credit reporting agency.

G. PAYMENT LIMITS

There are limits on payments made through the Bill Pay service. You will be notified of these limits when you use the Bill Pay service. We reserve the right to adjust payment limits from time to time in our sole discretion.

H. YOUR LIABILITY

You are solely responsible for controlling the safekeeping of and access to your password and/or other security credentials ("Credentials"). If you want to terminate another person's authority to use Bill Pay, you must notify us and arrange to change your Credentials.

You will be responsible for any bill payment request you make that contains an error or is a duplicate of another bill payment. Except as may otherwise be required by law, we are not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment your failure to promptly notify us after you learn that you have not received credit from a Payee for a bill payment; or for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be our agent.

I. OUR LIABILITY

We are responsible only for exercising ordinary care in making payments upon your authorization. IN NO EVENT SHALL THE CREDIT UNION OR ITS LICENSORS AND/OR SERVICE PROVIDERS BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE USE OF BILL PAY. We will use our best efforts to execute all of your payment instructions properly. However you agree that we shall not be liable for untimely or failed bill payments as the result of your failure to maintain sufficient available funds to complete the transaction, your failure to allow sufficient time to process a payment instruction, your failure to provide us with accurate Payee and billing information, service downtime, Payee mishandling or delay of a payment sent by Bill Pay, changes of merchant address or account number, or other circumstances beyond our control that prevent completion of the transaction even though we have taken reasonable steps to avoid those circumstances. In the event we cause an incorrect amount of funds to be removed from your account or direct funds to a Payee that do not comply with your payment instructions, we will return the improperly transferred funds to your account and/or transfer funds to the appropriate Payee. In the case that you do notice an error or have any questions in regard to Bill Pay, please contact the Credit Union at 800.837.4562, or write to us at LOC Credit Union, 22981 Farmington Road, Farmington Hills, MI 48336.

J. INFORMATION AUTHORIZATION

Your enrollment in Bill Pay may not be fulfilled if we cannot verify your identity or other necessary information. Through your enrollment in Bill Pay as a sender, you authorize us to request a review of your credit rating at our own expense through an authorized bureau. In addition, you authorize us to obtain personal information about you, including without limitation, financial information and transaction history regarding your Eligible Transaction Account. You further understand and agree that we reserve the right to use personal information about you for our and our Licensors' everyday business purposes, such as to maintain your ability to access the Bill Pay, to authenticate you when you log in, to send you information about the Bill Pay, to perform fraud screening, to verify your identity, to determine your transaction limits, to perform collections, to comply with laws, regulations, court orders and lawful instructions from government agencies, to protect the personal safety of subscribers or the public, to defend claims, to resolve disputes, to troubleshoot problems, to enforce these terms and conditions, to protect our rights and property, and to customize, measure, and improve the Bill Pay and the content and layout of the website. Additionally, we and our Licensors may use your information for risk management purposes and may use, store and disclose your information acquired in connection with these terms and conditions as permitted by law, including (without limitation) any use to effect, administer or enforce a transaction or to protect against or prevent actual or potential fraud, unauthorized transactions, claims or other liability. We and our Licensors shall have the right to retain such data even after termination or expiration of these terms and conditions for risk management, regulatory compliance, audit reasons and as permitted by applicable law for everyday business purposes. In addition, we and our Licensors may use, store and disclose such information acquired in connection with the Bill Pay in statistical form for pattern recognition, modeling, enhancement and improvement, system analysis and to analyze the performance of the Bill Pay.

K. AMENDMENT

We reserve the right to change the terms and conditions upon which Bill Pay is offered. We will notify you before the effective date of any change, as required by law. Your use of Bill Pay is subject to existing regulations governing your Credit Union accounts and any future changes to those regulations.

L. TERMINATION

We reserve the right to terminate your Bill Pay privileges without notice if you are in violation of these terms and conditions or if you are using Bill Pay in a manner inconsistent with these terms and conditions. **You may cancel Bill Pay** at any time by calling 800.837.4562, or by writing to us at LOC Credit Union, 22981 Farmington Road, Farmington, MI 48336. We are not responsible for any payment made through Bill Pay before we have a reasonable opportunity to act on your notice of termination. You remain obligated for any payments made on your behalf.

These terms and conditions are in addition to the terms, conditions and limitations found in the Digital Banking Agreement and Disclosure. Please refer to the Digital Banking Agreement and Disclosure for those terms and conditions.