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Teachers Federal Credit Union Bill Payment Disclosure

Introduction. Teachers Federal Credit Union, ("we", "us", "our") and you are entering into this Agreement for us to provide you with access to our online bill delivery, payment and management services (the "Bill Payer Services"), our Bill Payer Web site (the "Bill Payer Site"), and our data (the "Data") in consideration of the payment of the fees we charge and subject to the terms of this Agreement. In this Agreement, "Biller" means a third party whose billing statements you have requested us to present to you online under the terms of this Agreement, and "Business Day" means every Monday through Friday, excluding Federal Reserve holidays. Bill Payer is an Access Option to perform withdrawals or transfers on your account(s) by electronic technology. Your rights and responsibilities concerning your account(s) are covered by your Online Banking Agreement, Membership and Account Agreement, your Truth-in-Savings Rate and Fee Disclosure and our Privacy Policy.

Accessing Bill Payer Service. In order to access the Bill Payer Web site, you first must be enrolled in our Online Banking. From your Online Banking web site, click on FREE BILL PAYER button. Your Bill Payer Web site can only be accessed from your Online Banking Web site. In order to access the Bill Payer Web site, you must have an e-mail address recorded on the Online Banking web site. You can modify your e-mail address on the Online Banking web site, which will also update the e-mail address used for notification on the Bill Payer Web site.

Method of Payment. When you sign up for the Bill Payer, you must designate a personal Share Draft (Checking) or Money Market Account with us as your Bill Payment Account (Transfers/Payments from a Money Market Account are limited to a total of 6 per month, as per Reg D). We will make payments for you from this account, either electronically, or using a paper draft drawn on your account. You agree to maintain a balance in your Bill Payment Account that is sufficient to fund all payments you initiate. You further agree that we may charge a service fee for any returned payment, including, but not limited to, returns resulting from insufficient funds in your account, the fact that your account is closed, or because you provided incorrect account or routing information to us. You agree that if there are insufficient funds in your account, we may (but we are not obligated to) advance the funds to make payment to the payee. You agree to pay us promptly on our request for any amounts that we have provided to fund any payment you have requested.

Bill Pay Management. You are responsible for your bill pay management including establishing a funding account for each payee, setting up payees, setting up bill presentment, and scheduling payments. Payments will be remitted (sent) on the date you schedule.

Stop Payments. After a scheduled payment has been remitted (but not yet paid from your account), you may stop payment by notifying the Bill Payer Support at 1-888-412-9676 or 631-698-7000 ext 6780. However, we will continue to charge your funding account for other recurring payments until the expiration date you set for the payments or the date you cancel the recurring payments through the Bill Payer, whichever occurs sooner.

Our Right to Refuse to Make Payments. You agree not to use the Bill Pay Service to make payments to payees outside the United States (a "Prohibited Payment") or that are a Specifically Designated National by the Office of Foreign Asset Control. You further agree that the following payments ("Restricted Payments") are discouraged, but may be scheduled at your own risk: (i) tax payments to the Internal Revenue Service or any state or other government agency, (ii) court-ordered payments, such as alimony or child support, or (iii) payments to insurance companies. In the event we make an error in processing a Restricted Payment, you agree that we will not have any responsibility for any negative impact to you and you will be responsible for collecting any overpayment we have forwarded. The fact that we make a mistake in processing a Restricted Payment does not mean that we cannot collect from you or your account any funds we sent to the payee on your behalf. We will not notify you if you attempt to make a Prohibited Payment or a Restricted Payment and we will not be liable if we do not make a Prohibited Payment or a Restricted Payment. We may refuse to make any payment that we believe to be prohibited by law. **If you fail to maintain a balance in the funding account that is sufficient to fund any payment that you initiate, we may refuse to make any subsequent payment for as long as we determine to be necessary or appropriate or we may terminate this agreement.**

Pay Anyone with Bill Pay. This is our standard level of Bill Pay. With **Pay Anyone with Bill Pay** you can set up payees, schedule recurring and non-recurring payments and set up e-bill presentment from your Billers.

Billing Statements. You authorize us to contact electronic Billers on your behalf and to receive your billing statements and billing data, including the right to periodically access third party Biller Web sites designated by you ("Biller Sites"), on your behalf, to retrieve your electronic billing data ("eBill"). You agree that we are your agent for these limited purposes. You represent and warrant to us that you have the authority to appoint us as your agent to receive your billing statements, to view and download your eBills, and to use your name, passwords, usernames and any other information you provide to us for purposes of providing the Bill Payer for you. You agree that we may use and store this information on our servers. You are responsible for all charges associated with our use of any Biller Site on your behalf and you agree to comply with the terms of use for the Biller Site.

You authorize and direct us to open all electronic mail we receive on your behalf, whether or not the mail is also or only addressed to you.

Total Bill Pay Management. This is our deluxe level of Bill Pay that provides a complete bill pay solution. In addition to all of the features included in **Pay Anyone with Bill Pay** you can set up bill presentment for paper bills from Billers who do not offer e-bill presentment.

Billing Statements. You authorize us to contact Billers (electronic and mail billers) on your behalf and to receive your billing statements and billing data, including the right to periodically access third party Biller Web sites designated by you ("Biller Sites"), on your behalf, to retrieve your electronic billing data ("eBill"). You agree that we are your agent for these limited purposes. You represent and warrant to us that you have the authority to appoint us as your agent to receive your billing statements, to view and download your eBills, and to use your name, passwords, usernames and any other information you provide to us for purposes of providing the Bill Payer for you. You agree that we may use and store this information on our servers. You are responsible for all charges associated with our use of any Biller Site on your behalf and you agree to comply with the terms of use for the Biller Site.

Mail Sorting and Shredding You authorize and direct us to open all physical and electronic mail we receive on your behalf, whether or not the mail is also or only addressed to you. You also authorize us to scan your paper bills into our system and to make and retain paper copies, electronic copies, or images of those bills. Mail is categorized into the following types and will be handled as follows:

1st Class Mail All 1st class mail may be opened and all bills, invoices, statements of account and similar items will be scanned into the system. All other materials, whether included with a bill or sent to us separately may be examined. Pertinent information other than a bill or billing inserts, such as a significant change in service or pricing, will be included as subsequent pages with your bill. If such information is sent as a separate mailing, it will be scanned and presented to you as a separate notice. Payments and other items that we determine that you need to receive (for example, a check from your Biller for credit balance reimbursement) will be forwarded to you at the address we have for you on file. All other such mail (e.g. coupons, advertising, newsletters, etc.) will be shredded and/or discarded. We will use our judgment in making the determination as to what to scan, what to shred and what to forward, and we are not responsible if you disagree as to our decision in that regard. We will shred all scanned bills and notices on site prior to discarding them. If you have a question as to whether a particular item will be scanned, shredded or forwarded, please send your question by e-mail addressed to the customer support group designated on the Web site.

Mail Other Than 1st Class All mail other than 1st class mail or its equivalent may be shredded and/or discarded without opening it to examine its contents. Bulk, standard, and non-profit mail are included in this class.

Packages/Junk Mail We are not responsible for forwarding packages to you, regardless of the class of mail used to deliver them to us. You must make arrangements with those parties from whom you purchase goods or from whom you otherwise expect packages to be sent to you, to have those packages sent to a delivery address. Our customer service team at 1-888-412-9676 is available to assist you in designating shipping and billing addresses with your Billers. You authorize us to contact third parties to delete your name at our address from any address list used by direct mail solicitors.

Payment Addresses. We reserve the right to change the address used for paper payments, without notification, in the following situations:

1. The information returned by our address cleansing process determines the format of the address does not comply with the USPS standards.
2. We have determined that the address provided is not a valid address for the Biller.
3. The Biller has closed the address, and provided us (via the USPS) with the new address.
4. We have established a relationship with the Biller to send payments to a different address than the one provided on the statement.
5. In all cases, we attempt to act in a way to expedite the proper posting of your payment.

Bill Pay Service Fees

Additional Service Fees

- Expedited Payment (overnight payment) \$5.00
- On Demand or Year-End CD \$25.00

Consent to Electronic Communications. This is an electronic, Internet based-service. Therefore, you understand and agree that this Agreement will be entered into electronically, and that the following categories of information ("Communications") may be provided by electronic means:

1. This Agreement and any amendments, modifications or supplements to it.
2. Your records of any payment and other transactions through the Bill Payer, including without limitation payment histories and confirmations of individual transactions.
3. Any disclosures or notices provided in connection with the Bill Payer, including without limitation those required by federal or state law (including without limitation initial disclosures, periodic statements, periodic and annual error resolution notices, initial and annual privacy notices, opt-out notices, and change-in-terms notices).
4. Any customer service communications, including without limitation communications with respect to claims of error or unauthorized use of the Bill Payer
5. Any other communication related to the Bill Payer.

Although we reserve the right to provide Communications in paper format at any time, you agree that we are under no obligation to do so. All Communications in either electronic or paper format will be considered to be "in writing." You should print a paper copy of

this Agreement and any electronic Communication that is important to you and retain the copy for your records. If you do not wish to receive this Agreement or the Communications electronically, you may not use the Bill Payer.

If you have opened Bill Payer with us and you wish to withdraw your consent to have Communications provided in electronic form, you must close your Bill Payer as described in the Term and Termination section of this Agreement and stop using the Bill Payer. There are no fees to close your Bill Payer with us.

You agree to promptly update your Bill Payer records with us if your e-mail address or other information changes. You may update your Bill Payer records, such as your e-mail address, as described in the Changes to Your Information section of this Agreement. Communications may be posted on the Bill Pay Site or other Web site disclosed to you and/or delivered to the e-mail address you provide. All electronic Communications will be deemed to have been received by you no later than five (5) Business Days after we send it to you by e-mail or post the Communication on the Bill Pay Site, whether or not you have received the e-mail or retrieved the Communication. An electronic Communication by e-mail is considered to be sent at the time that it is directed by our e-mail server to the appropriate e-mail address. An electronic Communication by posting to the Bill Pay Site is considered to be sent at the time it is publicly available. You agree that these are reasonable procedures for sending and receiving electronic Communications. In order to access and retain Communications, you must have:

1. An Internet browser that supports 128-bit encryption, such as Netscape Navigator version 4.7x or above or Internet Explorer version 5.0 or above.
2. An e-mail account with an Internet service provider and any software required to send and receive e-mails.
3. A personal computer, operating system and telecommunications connections to the Internet capable of supporting the foregoing.
4. Sufficient electronic storage capacity on your computer's hard drive or other data storage unit.
5. A printer that is capable of printing from your browser and e-mail software.

Changes to Your Information. You agree to promptly update all your profile information, including, but not limited to, name, physical address, e-mail address and other accounts information associated with Bill Payer. Profile information and account information may be updated by contacting Teachers Federal Credit Union. A Change of Address form must be filled out and submitted Teachers Federal Credit Union. A form can be obtained from <http://www.teachersfcu.org/forms/changeofaddress.pdf>.

Privacy. We do not sell individual customer names or nonpublic personal information to third parties, and have no intention of doing so in the future. We may use, modify, and create new material using your bill content and other personal information only to provide the Bill Payer to you. By using the Bill Payer service, you certify that you are the sole owner of your billing account information, or that you are authorized on behalf of all owners of the billing account information to authorize us to use the information for the purposes set out above. We will only disclose information about you to third parties if:

1. it is necessary to complete a transaction;
2. it is necessary to verify the existence and condition of your deposit account;
3. it is necessary to comply with a governmental agency or court order;
4. it is permitted by law;
5. you give us your written permission; or
6. you ask us to assist with posting of a payment at a payee

Joint Owners. You may establish your account to use the Bill Payer with another party. An account having more than one owner is called a joint account. Each joint owner is bound by all the terms and conditions of this Agreement, and all references to "you" and "your" in the Agreement shall include all joint owners. Each joint owner agrees to be jointly and individually responsible for all charges and other obligations of any and all joint owners under this Agreement. Unless we are otherwise notified, in writing, by all owners of an account, each joint owner has full and independent authority to use the Bill Payer, the Bill Pay Site, and the Data as if they were the sole owner, and without the consent of or notice to any other joint owner. Such powers include, without limitation, the authority to: (a) view all billing data and pay bills or other obligations of any joint owner; (b) order the payment or transfer of funds from the funding account, whether or not such joint owner is an owner of the funding account; (c) receive notices, confirmations, statements, demands and other communications concerning the Bill Payer for and on behalf of all owners; (d) terminate, modify or waive any provision of this Agreement to the extent permitted herein; (e) close the account at any time. Unless we are notified in writing by all owners of an account, we may: (a) honor the orders and follow the instruction of any one joint owner, without liability to any other joint owner(s), and without any obligation to give notice to other joint owners, or to inquire whether such other owners consent; (b) honor any payment order from a joint account owner even though it may create an overdraft in any account (and all joint owners are jointly and severally liable for repayment of overdrafts created by any joint owner); (c) honor stop payment requests (including orders that no further payments be permitted from the account) from any joint owner, whether the original payment order was authorized by that owner or another joint owner; and (d) treat any notice required or permitted to be given concerning the account as being given to all joint owners when such notice is given to any one joint owner.

Service and Support. We have contracted with Metavante Corporation, a third party service provider, to offer this Bill Payment service. Although we have performed a great deal of due diligence in choosing our service provider, you understand that this service is not provided directly from the Credit Union. For service and support of the Bill Payment product, please contact Bill Payment services 24/7 at 1-888-412-9676.

Usage Limitations, Obligations and Availability. You agree that you will not provide access to the Bill Payer to any party other than yourself and other joint owners of your Bill Pay account, and you will take reasonable precautions to safeguard your password and keep it confidential. If you permit other persons to use the service or your password or other means to access your account, you are responsible for any transactions they authorize.

You agree to use the Bill Payer and the Data only for lawful purposes. You are responsible to provide at your own expense all necessary telephone lines, Internet connection and equipment needed to access the Bill Payer. You must maintain the confidentiality

of your assigned user name and password for the Bill Payer and you are responsible for all charges incurred under your user name and Password/PIN, unless otherwise provided under these terms. The availability of the Bill Payer, the Bill Pay Site and the Data may be subject to interruption and delay due to causes beyond our reasonable control.

Entire Agreement. These terms and any terms or rules disclosed in the Bill Pay Site regarding use of the Bill Payer are the entire understanding and agreement between you and us with respect to the Bill Pay Service and supersede any other oral or written agreements.

Changes to the Bill Payer and this Agreement. We reserve the right to change the Bill Payer and this Agreement, including fees, in our sole discretion and from time to time, without notice to you except as required by applicable law. If you do not agree to any amendments, you may stop using the Bill Payer and terminate this Agreement as described below. Your use of the Bill Payer after you are notified of any change will constitute your agreement to the change.

Term and Termination. You may terminate (cancel) this Agreement by providing us with at least thirty (30) days prior written notice of termination, provided, however, that we may require you to contact Client Services via telephone (888-412-9676) to arrange for account closing and to confirm your identity. We may terminate this Agreement at any time upon notice to you, which may be delivered via e-mail to your e-mail address reflected in our records. In addition, if either party breaches a material provision of this Agreement, then the other party will have the right to terminate this Agreement immediately by giving notice to the party in breach. The termination of this Agreement shall not affect any fees or charges already due to us from you. Your bill pay account will be terminated due to inactivity if no bill is paid for a 90-day period. If your account was terminated due to inactivity, you are eligible to re-establish a bill pay account.

Disclaimer of Warranty. YOU EXPRESSLY AGREE THAT USE OF THE BILL PAYER AND THE DATA IS AT YOUR SOLE RISK, AND THE BILL PAYER, THE BILL PAY SITE, AND THE DATA ARE PROVIDED "AS IS" WITH NO WARRANTIES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF AVAILABILITY, RELIABILITY, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Liability. IN NO EVENT WILL WE BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE BILL PAY SERVICE. OUR TOTAL, AGGREGATE LIABILITY TO YOU IS LIMITED TO THE AGGREGATE AMOUNT OF FEES YOU HAVE PAID FOR THE BILL PAY SERVICE DURING THE THREE (3) MONTHS PRECEDING THE EVENT GIVING RISE TO YOUR CLAIM.

You must select the processing date for any payment, or specify a payment rule in the system that automatically selects this date for you, for each bill received. This date should be at least six (6) Business Days prior to the payment due date to ensure that there is enough time for the Biller to receive and post the payment to your account. As we cannot control the U.S. Postal Service or other aspects of the various systems and processes that together ensure that your payments get from us to your Billers, we cannot guarantee that any payment will be received by the payment due date, and we are not responsible for any costs, expenses or other damages you incur if your payment is not received by the Biller on or before the payment due date. However, if you have followed our rules, allowed us sufficient time to make the payment, and we have issued you a confirmation number for a payment, we will reimburse you for any late charge assessed to you because we did not send that payment, **up to a maximum of \$50.00 per late payment**, unless we are not responsible to you for one of the reasons listed below. We may require that you provide us with satisfactory written documentation of any late fee before making reimbursement to you.

THIS IS OUR ONLY OBLIGATION TO YOU FOR ANY PAYMENT DELAYS OR FAILURE. IN ADDITION, IF YOU DO NOT FOLLOW THESE RULES OR IF YOU DO NOT ALLOW US ENOUGH TIME TO COMPLETE A PAYMENT, YOU ALONE ARE RESPONSIBLE FOR ANY PENALTIES OR LATE CHARGES ON THAT PAYMENT.

We may set an expiration date for any payment check we issue from our own account. If we do this, we may stop payment of the check if the payee does not cash the check on or before the expiration date. We will then notify you and issue a credit to your funding account for the amount of the check.

We are not responsible for any failure to complete or delay in completing any payment due to any of the following:

1. Your funding account does not contain sufficient funds to complete the payment or the charge is rejected or returned by your bank or financial institution.
2. Your funding account is closed.
3. We identify you as a credit risk and choose to complete all your payments by paper means, or to terminate your use of the Services.
4. The payee rejects or returns the payment for any reason.
5. Your equipment, software or any communications link is not working properly.
6. The Bill Pay Service is down and you know or we have told you about the problem before you send the payment.
7. You have provided us with incorrect information about the payee you wish to pay.
8. The payee mishandles or delays handling or posting any payment we send.
9. Circumstances beyond our control (for example, fire, flood, interference from an outside source, postal delays) prevent or delay the transfer or payment from being completed.

We may set a maximum dollar amount for payment and/or refuse to permit any bill payment if we reasonably believe such refusal is necessary or advisable for security reasons.

If we duplicate a payment or process a payment for the wrong amount, we will use our reasonable best efforts to recover your funds from the payee. However, if an overpayment causes a credit to your account with a payee, we may notify you of that fact and you will

be responsible to make appropriate arrangements with the payee to receive a refund of the credit or have it applied against future balances. You will remain responsible to reimburse us for any funds we have paid on your behalf.

Indemnity. You agree to defend, indemnify and hold us harmless from and against any third party claims, including any damages, costs, expenses and attorneys' fees arising out of your use of the Bill Payer or the Data.

Periodic Account Activity Statement. We will send you a monthly account activity statement only if a monetary transaction is made to the account. Your statement will include a summary of all your account activity and transactions for the preceding month (the "Periodic Account Statement"). You agree to promptly review each Periodic Account Statement and to notify us immediately if there are any suspected unauthorized payments or errors.

Procedures If Your Password/PIN Has Been Lost, Stolen, or Compromised or There Has Been Unauthorized Use of Your Password/PIN. If you believe that your Password/PIN has been lost or stolen, or that someone is using your Password/PIN without your permission, notify us IMMEDIATELY in order to keep your possible losses down. You are responsible for all paper payments authorized by use of your Password/PIN.

The following is our contact information:

- A. Telephone TFCU at: **(631) 698-7000, ext 6780**
- B. E-mail Address: memberservice@teachersfcu.org
- C. Write us at:
Teachers Federal Credit Union
P.O. Box 9029
Farmingville, NY 11738-9029

If you notify us within two (2) Business Days after you learn of the loss or theft of your Password/PIN, your maximum liability for unauthorized electronic funds transfers is \$50.00. If you do NOT notify us within two (2) Business Days after you learn of the loss or theft of your Password/PIN, and we can prove that we could have prevented someone else from using your account had you done so, your maximum liability for unauthorized electronic funds transfers is \$500.00.

If your account statement shows payments through the Bill Payer that you did not authorize, notify us IMMEDIATELY. If you do not notify us within sixty (60) days after the statement was mailed to you, you may not get back any of the electronic funds transfers from your account after the close of this sixty (60) day period and before you notify us if we can prove that we could have prevented the unauthorized electronic funds transfers had you told us in time. If a good reason (for example, a hospital stay or a long trip) prevented you from telling us sooner, we may, if we choose, extend this time.

An "unauthorized electronic funds transfer" is an electronic funds transfer conducted by a person who does not have actual, implied, or apparent authority to use your account, and which does not benefit you. If you give your Password/PIN to another person, all electronic funds transfers by that person are authorized unless and until you notify us that payments by that person are no longer authorized.

Error Resolution

In case of errors or questions about your electronic transfers, call (631) 698-7000 ext 6780 or write us at:

Teachers Federal Credit Union
Attn: Member Services
P.O. Box 9029
Farmingville, NY 11738-9029

If you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt, we must hear from you no later than 60 days after we sent the **First** statement on which the problem or error appeared.

1. Tell us your name and account number (if any).
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.

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 (20 business days if the transfer involved a point-of-sale transaction or a foreign initiated transfer) 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 point-of-sale transaction or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this we will recredit your account within 10 business days (20 business days if the transfer involved a point-of-sale transaction or a foreign initiated transfer) for the amount 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 questions in writing and we do not receive it within 10 business days, we may not recredit your account.

If we decide there is no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.