

NESC Federal Credit Union
Important Account Information for Our Members

Terms and Conditions for
Home Banking, Bill Pay, E-Statements, Mobile Banking and Mobile
Deposit Capture Services.

This document, along with any other documents we give you pertaining to your account for Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking and Mobile Deposit Capture, is a contract that establishes rules which control the above services. These Agreements and Disclosures, as amended from time to time, set forth the terms and conditions governing the use of NESC Federal Credit Union's: A) Home Banking "Virtual Branch", Bill Pay, E-Statement, Mobile Banking service; and B) Mobile Deposit Capture service. Please read these Disclosures and Agreements completely and retain them with your personal records. By using, or allowing another person to use Virtual Branch, Bill Pay, E-Statements, Mobile Banking and/or Mobile Deposit Capture services offered by NESC Federal Credit Union, you are agreeing to be bound by the terms and conditions of these Disclosures and Agreements.

Electronic Disclosure of Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking and Mobile Deposit Disclosures and Agreements

Your use of these services constitutes your acceptance of this Agreement. By accessing the Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking and Mobile Deposit Capture services, you acknowledge and accept electronic receipt of the Credit Union's Home Banking (Virtual Branch), Bill Pay, E-Statement, Mobile Banking, and Mobile Deposit Disclosures and Agreements. We will notify you of any changes at the contact information that you have provided. And your continued use of these services constitutes your acceptance of any such changes.

Termination

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of the Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking and Mobile Deposit Capture services at any time with or without cause. We may do so immediately if:

- a) You or any authorized signer on your account breaches this or any other agreement with the Credit Union
- b) We have reason to believe that there has been or might be an unauthorized use of your account; or
- c) You or any authorized signer on your account requests that we do so.

Security of Site

NESC Federal Credit Union only collects personal information to serve its legitimate business purposes. We use standard security technology to protect personal information.

We are not responsible for any breach of security or for the actions of any third parties that may obtain any personal information. NESC FCU will not be responsible for any loss resulting from a cause over which it does not have any direct control, including, but not limited to, failure of electronic or mechanical equipment, or communication lines, telephone, or other interconnect problems, computer viruses, unauthorized access, theft, operator errors, severe weather, earthquakes, or natural disasters, strikes, or other labor problems, wars or government restrictions.

Home Banking, Bill Pay, E-Statements, Mobile Banking Disclosures and Agreements

Registration

When registering for the Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking and Mobile Deposit Capture services you represent and warrant that you are using your actual identity and that any information you provide to NESC Federal Credit Union is accurate and complete; and your registration with NESC Federal Credit Union will not violate any local, state, national or international laws or regulations.

Logon and Password Policy

Use of Electronic and Mobile Services requires both Logon information and a password. Anyone with knowledge of both a Member's User I.D. and password can gain access to your Services and the information that is available regarding your account(s). Accordingly, all passwords must be kept secret. By agreeing to the terms and conditions of this Agreement, you agree to be solely responsible for the confidentiality and security of your Logon ID and Password and you agree to properly safeguard this information.

You further agree that NESC Federal Credit Union will not be responsible for monitoring transactions to determine if they were indeed made by the owner/joint owner/authorized user. As a condition of use, you must tell us AT ONCE if you believe your Password has been lost or stolen or that someone has accessed your account without your permission. We highly recommend that you change your password immediately during non-business hours by accessing your on-line account. You may contact us during regular business hours by calling (978) 688-8800. Or e-mail nesc308@nescfcu.org. We may not be reached by e-mail on Saturday and Sundays.

You agree to promptly change your User Profile with up-dated personal information. Your enrollment in these services may not be fulfilled if we cannot verify your identity or other necessary information.

Limitation of Transfers

Under no circumstances will NESC FCU be liable if we are unable to complete any transfers initiated in a timely manner via Online Banking because of the existence of any one or more of the following circumstances:

- 1.) You do not receive Confirmation at the time you initiate a transfer.
- 2.) The designated Account does not have sufficient funds for the transfer.
- 3.) We have terminated your access to Bill Pay due to your credit risk
- 4.) Your account has been frozen due to a federal or state levy.
- 5.) Your account has been frozen because of a delinquent loan.
- 6.) You have provided incorrect information for the account(s) that you wish to make a transfer.
- 7.) If you, or anyone authorized by you, commits any fraud or violates any law or regulation.
- 8.) Circumstances beyond our control (including, but not limited to, fire, flood, or interference from an outside source) that prevent the proper execution of the transaction.
- 9.) The failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

We reserve the right to disapprove transfer transactions.

Security of Site

Use of Home Banking (Virtual Branch), Bill Pay, E-Statements, Mobile Banking is solely at your own risk and is subject to all applicable local, state, national, and international laws and regulations. Although we have tried to create a secure and reliable service, the confidentiality of any communication transmitted over the internet cannot be guaranteed. If you authorize the use of Online Banking via a computer owned by your employer, you exempt NESC Federal Credit Union from any liability should any information from your account be disclosed to an unauthorized party at your employment. Accordingly, NESC FCU and its affiliates are not responsible for the security of any information transmitted via the internet. Actual or attempted unauthorized use of Online Banking may result in criminal and/or civil prosecution. For your protection, NESC FCU reserves the right to view, monitor, and record activity on Online Banking without notice or permission from you. Any information obtained by monitoring, reviewing, or recording is subject to review by law enforcement organizations in connection with investigation or prosecution of possible criminal activity via Online Banking. NESC FCU will also comply with all court orders, involving requests for such information.

Warranty

In no event shall NESC FCU be liable for any direct, indirect, special, incidental, consequential, or exemplary damages arising from access to this service. We are not responsible for any damages to your hardware or software from access to this server; from data transmitted through the access link; or from unavailability of the service.

Exclusions of Warranties

This service and related documentation are provided “as is” without any warranty of any kind, either expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose.

Termination or Discontinuation

You may cancel Online Banking upon thirty (30) days prior notice to a Member Service Representative. You will be responsible for all payments and/or transfers you have requested prior to cancellation of Online Banking and all other charges, fees, and taxes incurred, if any.

You must cancel all outstanding transfer orders within 30 days notification period. We will not be liable for transfers not cancelled or made due to your actions related to Online Banking termination.

Regulation E Disclosure

In case of errors or questions about your account on the Online Banking System telephone us or write us at the contact information provided below, as soon as possible, We must hear from you no later than sixty (60) days after which the error or problem occurred. (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 there is an error or why you need more information. (3) Tell us the dollar amount of the suspected error. We will investigate your complaint and will correct any error promptly. If we take more than ten (10) business days to do this, we will re-credit your account for the amount you believe is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

Member Service Contact Information

Mailing Address:
NESC Federal Credit Union
248 Pleasant Street
Methuen, MA 01844

Tel: (978-688-8800
Email: nesc308@nescfcu.org

Additional Disclosures Applicable to Home Banking (Virtual Branch)

System Requirements

Home Banking (Virtual Branch) services allow convenient access to your account information 24 hours a day. To use home banking you must have a computer, modem, Internet Service, browser, your Log-In Id and password.

Transactions Available

You may use your Home Banking (Virtual Branch) to perform the following transactions:

- Obtain account/loan balance information

- Obtain loan payment due date and other information
- Obtain last dividend, date and amount
- Obtain clearance of specific checks
- Transfers funds between your share/savings and share draft/checking accounts
- Download transaction information to personal financial management software from share/savings and share draft/checking accounts
- Make loan payments
- View electronic statements (e-statements)
- Change of Address

Additional Disclosures Applicable to Bill Pay

System Requirements

To use Bill Pay you must have a Home Banking (Virtual Branch) Log In and password, computer, modem, Internet Service, browser, your Log-In Id and password.

Right to Stop Payment of Preauthorized Transfers and Right to Receive Notice of Varying Amounts

- **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:
Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. Please refer to our separate fee schedule for the amount we will charge you for each stop-payment order you give.
- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Transactions Available

You may use the Bill Pay service to perform the following transactions:

- **Add/Edit Merchants:** Merchant refers to the entity to which you pay bills. The merchant can be a company, organization, or individual. The Add/Edit Merchant

feature allows you to add merchants, delete merchants from or edit merchant information on your personal list of merchants.

- **Make non-recurring payments from share draft/checking:** This feature allows you to schedule one-time payments to merchants. This feature enables you to specify the amount of the payment and processing date.
- **Make recurring payments from share draft/checking.** This feature allows you to schedule recurring payments to merchants.
- **View History:** View History permits you to see payments made over a specified time period.

Limitations on Transactions

The following are limitations to the use of the Bill Pay service:

- The maximum you may withdraw by check is \$5,000.00 during any 24 hour period
- The maximum transaction amount is \$5,000.00 during any 24 hour period
- Bill payments can only be made from your share draft/checking account
- Payments cannot be made for tax payments, court-ordered payments or payments to payees outside of the United States
- If you close the designated bill payment share draft/checking account, all scheduled payments will be stopped
- You cannot stop a payment if the payment has already been processed
- You can schedule payments 24 hours a day, seven days a week, however, the payments will be processed only on business days, excluding Saturday, Sunday, or holidays; and
- Recurring scheduled payments due on a non-business day (Saturday, Sunday, or holiday) will be processed on the preceding business day

Methods and Restrictions

Payments are made to your payee either electronically via the Automated Clearing House (ACH) or by check or laser draft. The method of payment depends upon the processing method that can be accommodated by the payee or by our bill payment service provider.

It is important that you take into consideration what method of bill payment will be used when scheduling bill payments to ensure payment deadlines are met. If the payee accepts electronic bill payment, the payment may take up to four business days to process. If the payee does not accept electronic bill payment, the payment will be sent in a check form, and may take up to ten business days to process.

Member Responsibilities

You are responsible for:

- Any late payment, late fees, interest payments, and service fees charged by merchant(s)

- Any overdraft, NSF or stop payment fees charged by the Credit Union as a result of these transactions
- Data input of payee information (payment amount(s), name, address and any other pertinent information)
- Written notification to the Credit Union in the event you wish to cancel this service; and
- You must allow sufficient time for bill payments to be processed so that the funds can be delivered to the merchant on or before the due date

Additional Disclosures Applicable to Mobile Banking Services

Services

The Mobile Banking service allows you to access your account information through your mobile device. You may access the Mobile Banking Service either by mobile application or mobile Web browser. The Mobile Banking service also allows you to request and receive account information and notification via text message.

System Requirements

To use the Mobile Banking, you must have a mobile device with a service plan that includes data, text messaging and Internet access with Secure Socket Layer (SSL) capability and a Mobile Banking service user name and password. Third party fees may apply for data, text messaging and Internet access. Contact your mobile device carrier for additional information.

Access Options

- To access the Mobile Banking service using the mobile browser option, you must have a Home Banking (Virtual Branch) account, have a mobile phone that supports web browsing, have a wireless data plan with your mobile browser service and register for Mobile Banking and select the mobile browser option.
- To access the Mobile Banking service using the application option, you must have a Home Banking (Virtual Branch) account, have a mobile phone that supports downloaded applications, have a wireless data plan with your mobile service carrier and register for Mobile Banking and select the downloadable application option. The Operating System version must be compatible with the latest version of the application, as determined by your device's application store.
- To use the text messaging option, you must have a Home Banking (Virtual Branch) account, have a mobile phone that supports SMS text messaging and short codes and register for Mobile Banking and select the text messaging service option.

Transaction Available

You may use the Mobile Banking service to perform the following transactions:

- Obtain account balance information
- Transfer funds between your savings, checking and loan accounts (available only through the mobile browser and mobile application options)
- Receive account alerts, transaction history and notifications via text messaging
- Review recent account activity
- Bill Payments on established merchants
- Locate ATM and branch locations

Remote Deposit Capture User Agreement and Disclosure Statements

The Mobile Deposit Capture Service allows you to make deposits to your checking account from your smartphone by taking a picture of the check(s) and delivering the image(s) and associated deposit information to us, from the convenience of your own home.

In order to use the Mobile Deposit Capture Service, you must: (1) have a Mobile Device, with an enabled camera and a service plan that includes data and internet access; (2) you must have a Virtual Branch login and password; and (3) you must download the NESCFCU Mobile application from your device's App Store. We are not responsible for any third party software or expenses that you may need to use this service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

Acceptance of these Terms

Your use of the Mobile Deposit Capture Service constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change at the contact information that you have provided. Your continued use of the Mobile Deposit Capture Service will indicate your acceptance of the revised Agreement. Further, we reserve the right to change, modify, add, or remove portions from the Mobile Deposit Capture and your continued use of this services will indicate your acceptance of any such changes.

Limitations of Service

The maximum amount you may deposit on any one day is \$5,000.00. This limit amount is subject to change. When using the Mobile Deposit Capture Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change the

qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you. If we reject your deposit, you agree not to hold us responsible or liable for overdrafts or charges incurred due to rejection of deposit. It is at our sole discretion to reject any deposit.

Member Warranties

Ineligible Items

You agree that you will not use the Mobile Deposit Capture Service to deposit any checks or other items as shown below:

- Checks or items payable to any person or entity other than yourself.
- Checks or items drawn or otherwise issued by you or any other person on any of your accounts, or any account on which you are an authorized signer or joint account holder.
- Check or items containing obvious alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- Checks or items previously converted to a substitute check, as defined in Reg CC.
- Checks or item drawn on a financial institution located outside the United States.
- Check or items not payable in United States currency.
- You will not transmit duplicate items.
- You will not deposit or represent the original item.
- Checks or items dated more than 6 months prior to the date of deposit.

Endorsements and Procedures

The image of an item transmitted must be legible. You understand that the imaged check transmitted to NESC Federal Credit Union must accurately and legibly provide, among other things, the following information:

1) The information identifying the drawer and the paying bank that is preprinted on the check including complete and accurate MICR information and the signature(s). 2) Other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. Before submitting an image of a check, the words "For Deposit Only" must be clearly written on the front of the check and the date of deposit. Failure to provide the above mentioned requirements will result in rejection of your deposit.

You agree to follow any and all other procedures and instructions for use of the Mobile Deposit Capture Service as we may establish from time to time.

Receipt of Items

Deposits received before 3 p.m. EST on a business day (excluding Saturday, Sunday and Holidays) will be available on the first business day after the deposit. Deposits received after 3 p.m. EST will be available on the second business day following the deposit.

We reserve the right to reject any item transmitted through the Mobile Deposit Capture, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from us that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete. Should we reject a deposit, we will notify you via the online banking mail service.

Availability of Funds

You agree that items transmitted using the Mobile Deposit Capture Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Funds deposited using the Services will be available after we receive payment for the funds submitted. We may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant.

Record Retention

You are responsible for the storage and safekeeping of transmitted items. You should securely store each original check(s) for a period of 60 days after confirmation of receipt and your deposit has been accepted. You are solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be destroyed in a secure manner.

How to Contact Us in Case of Errors

If you believe there is an error to any original check or Electronic Image, please contact us at (978)688-8800 or write to us at NESFCU, 248 Pleasant St., Methuen, MA 01844

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