

## TERMS AND CONDITIONS OF THE BILL PAYMENT SERVICE

### SERVICE DEFINITIONS

"Service" means the bill payment service offered by Coastal Federal Credit Union, through CheckFree Services Corporation.

"Service Provider" means CheckFree Services Corporation.

"Agreement" means these terms and conditions of the bill payment service.

"Bill Payment" means a payment to a Biller scheduled by you through the Service.

"Biller" is the person or entity to which you wish a Bill Payment to be directed or is the person or entity from which you receive electronic bills, as the case may be.

"Payment Instruction" is the information provided by you to the Service for a Bill Payment to be made to the Biller (such as, but not limited to, Biller name, Biller account number, and Scheduled Payment Date).

"Payment Account" is the checking account from which Bill Payments will be debited.

"Billing Account" is the checking account from which all Service fees will be automatically debited.

"Business Day" is every Monday through Friday, excluding Federal Reserve holidays.

"Scheduled Payment Date" is the day you want your Biller to receive your Bill Payment and is also the day your Payment Account will be debited, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.

"Due Date" is the date reflected on your Biller statement for which the Bill Payment is due; it is not the late date or grace period.

"Scheduled Payment" is a Bill Payment that has been scheduled through the Service but has not begun processing.

"We", "us", "our" and "Coastal" refer to Coastal Federal Credit Union as the case may be and as the context warrants.

"You" and "your" refer to each person who has an interest in an account or other relationship that is accessible through the Service and any person authorized to access the Service.

### PAYMENT SCHEDULING

The earliest possible Scheduled Payment Date for each Biller (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the Bill Payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Biller. When scheduling Bill Payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period.

### THE SERVICE GUARANTEE

Due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to your account. The Service

Provider will bear responsibility for any late payment related charges up to \$50.00 should a Bill Payment post after its Due Date as long as the Bill Payment was scheduled in accordance with the guidelines described under "Payment Scheduling" in this Agreement ("Service Guarantee").

## **PAYMENT AUTHORIZATION AND PAYMENT REMITTANCE**

By providing the Service with names and account information of Billers to whom you wish to direct Bill Payments, you authorize the Service to follow the Payment Instructions that you enter through the Service. In order to process Bill Payments more efficiently and effectively, the Service may edit or alter payment data or data formats in accordance with Biller directives.

When the Service receives a Payment Instruction, you authorize the Service to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. You also authorize the Service to credit your Payment Account for Bill Payments returned to the Service by the United States Postal Service or Biller, or payments remitted to you on behalf of another authorized user of the Service.

The Service Provider will use its best efforts to ensure the Service makes all your Bill Payments properly. However, the Service Provider shall incur no liability and any Service Guarantee shall be void if the Service is unable to complete any Bill Payments initiated by you because of the existence of any one or more of the following circumstances:

1. If, through no fault of the Service, your Payment Account does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of your Payment Account (if any);
2. The payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction;
3. You have not provided the Service with the correct Payment Account information, or the correct name, address, phone number, or account information for the Biller; and/or,
4. Circumstances beyond control of the Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the foregoing exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Biller which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to or debiting any shortfall from your Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges or insufficient payment transferred.

## **PAYMENT METHODS**

The Service reserves the right to select the method in which to remit funds on your behalf to your Biller. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a laser draft payment (funds remitted to the Biller are deducted from your Payment Account when the laser draft is presented to your financial institution for payment).

## **PAYMENT CANCELLATION REQUESTS**

You may cancel or edit any Scheduled Payment (including recurring Bill Payments) by following the directions within the Service. There is no charge for canceling or editing a Scheduled Payment prior to processing. Once the Service has begun processing a Bill Payment it cannot be cancelled or edited, therefore a stop payment request must be submitted and Billing Account shall be debited for the stop payment.

## **STOP PAYMENT REQUESTS**

The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may also not have a reasonable opportunity to act on any stop payment request after a Scheduled Payment has been processed. If you desire to stop any Scheduled Payment that has already been processed, you must contact Customer Service. Although the Service will make every effort to accommodate your request, neither Coastal nor the Service Provider will have no liability for failing to do so. The Service Provider or Coastal may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.

## PROHIBITED PAYMENTS

Payments to Billers outside of the United States or its territories, and payments to any unlawful Internet gambling site or other enterprise that engages in activities prohibited by local, state or federal law, are prohibited through the Service ("Prohibited Payment").

## EXCEPTION PAYMENTS

Tax payments and court ordered payments may be scheduled through the Service, however such payments are discouraged and must be scheduled at your own risk ("Exception Payment"). In no event shall the Service Provider or Coastal be liable for any claims or damages resulting from your scheduling of an Exception Payment. The Service Guarantee as it applies to any late payment related changes is void when an Exception Payment is scheduled and/or processed by the Service. Neither Coastal nor the Service Provider has an obligation to research or resolve any claim resulting from an Exception Payment. All research and resolution for any misapplied, mis-posted or misdirected Exception Payments will be the sole responsibility of you and not of the Service Provider or Coastal.

## BILL DELIVERY AND PRESENTMENT

This feature is for the presentment of electronic bills only and it is your sole responsibility to contact your Billers directly if you do not receive your statements. In addition, if you elect to activate one of the Service's electronic bill options, you also agree to the following:

Information provided to the Biller - The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes must be made by contacting the Biller directly. Additionally it is your responsibility to maintain all usernames and passwords for all electronic Biller sites. You also agree not to use someone else's information to gain unauthorized access to another person's account. The Service may provide to the Biller your e-mail address, service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing you about Service and/or bill information.

Activation - Upon activation of the electronic bill feature the Service may notify the Biller of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Biller to Biller and may take up to sixty (60) days from your activation request, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Biller. While your electronic bill feature is being activated it is your responsibility to keep your accounts current. Each electronic Biller reserves the right to accept or deny your request to receive electronic bills.

Authorization to obtain bill data - Your activation of the electronic bill feature for a Biller shall be deemed to be your authorization for us to obtain bill data from the Biller on your behalf. For some Billers, you will be asked to provide us with your user name and password for that Biller. By providing us with such information, you authorize us to use the information to obtain your bill data.

Notification - The Service will use its best efforts to present all of your electronic bills promptly. In addition to notification within the Service, the Service may send an e-mail notification to the e-mail address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from Biller to Biller. You are responsible for ensuring timely payment of all bills.

Cancellation of electronic bill notification - The electronic Biller reserves the right to cancel the presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for processing of cancellation of your electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days to process or to

terminate electronic billing, depending on the billing cycle of each Biller. The Service will notify your electronic Biller(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

Non-Delivery of electronic bill(s) - You agree to hold Coastal and the Service Provider harmless should the Biller fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.

Accuracy and dispute of electronic bill - The Service is not responsible for the accuracy of your electronic bill(s). The Service is only responsible for presenting the information received from the Biller. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Biller directly.

This Agreement does not alter your liability or obligations that currently exist between you and your Billers.

## EXCLUSIONS OF WARRANTIES

THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## PASSWORD AND SECURITY

You agree not to give or make available your password or other means to access your account to any unauthorized individuals. You are responsible for all Bill Payments you authorize using the Service. 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. If you believe that your password or other means to access your account has been lost or stolen or that someone may attempt to use the Service without your consent or has transferred money without your permission, you must notify the Service at once by calling 800-868-4262 or 919-420-8000 during business hours.

## YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS

If you tell us within two (2) Business Days after you discover your password or other means to access your account has been lost or stolen, your liability is no more than \$50.00 should someone access your account without your permission. If you do not tell us within two (2) Business Days after you learn of such loss or theft, and we can prove that we could have prevented the unauthorized use of your password or other means to access your account if you had told us, you could be liable for as much as \$500.00. If your monthly financial institution statement contains transfers that you did not authorize, you must tell us at once. If you do not tell us within sixty (60) days after the statement was sent to you, you may lose any amount transferred without your authorization after the sixty (60) days if we can prove that we could have stopped someone from taking the money had you told us in time.

## ERRORS AND QUESTIONS

In case of errors or questions about your transactions, you should as soon as possible notify us via one of the following:

1. Telephone us at 800-868-4262 or 919-420-8000 during business hours;
2. Send us a secure message in Online Banking; and/or,
3. Write us at:  
Coastal Federal Credit Union  
PO Box 58429  
Raleigh, NC 27658

If you think your statement is incorrect or you need more information about a Service transaction listed on the statement, we must hear from you no later than sixty (60) days after the FIRST statement was sent to you on which the problem or error appears. You must:

1. Tell us your name and Service account number;
2. Describe the error or the transaction in question, and explain as clearly as possible why you believe it is an error or why you need more information; and,
3. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send your complaint in writing within ten (10) Business Days after your verbal notification. We will tell you the results of our investigation within ten (10) Business Days after we hear from you, and will correct any error promptly. However, if we require more time to confirm the nature of your complaint or question, we reserve the right to take up to forty-five (45) days to complete our investigation. If we decide to do this, we will provisionally credit your Payment Account within ten (10) Business Days for the amount you think is in error. If we ask you to submit your complaint or question in writing and we do not receive it within ten (10) Business Days, we may not provisionally credit your Payment Account. If it is determined there was no error we will mail you a written explanation within three (3) Business Days after completion of our investigation. You may ask for copies of documents used in our investigation. The Service may revoke any provisional credit provided to you if we find an error did not occur.

## **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

It is our general policy to treat your account information as confidential. However, we will disclose information to third parties about your account or the transactions you make ONLY in the following situations:

1. Where it is necessary for completing transactions;
2. Where it is necessary for activating additional services;
3. In order to verify the existence and condition of your account to a third party, such as a credit bureau or Biller;
4. To a consumer reporting agency for research purposes only;
5. In order to comply with a governmental agency or court orders; or,
6. If you give us your written permission.

## **SERVICE FEES AND ADDITIONAL CHARGES**

Any applicable fees will be charged to you against your Billing Account regardless of whether the Service was used during the billing cycle. There may be a charge for additional transactions and other optional services. You agree to pay such charges and authorize the Service to deduct the calculated amount from your designated Billing Account for these amounts and any additional charges that may be incurred by you. Any financial fees associated with your standard deposit accounts will continue to apply. You are responsible for any and all telephone access fees and/or Internet service fees that may be assessed by your telephone and/or Internet service provider.

## **FAILED OR RETURNED TRANSACTIONS**

In using the Service, you are requesting the Service to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction will not be completed. In some instances, you will receive a return notice from the Service. In such case, you agree that:

1. You will reimburse the Service immediately upon demand the transaction amount that has been returned to the Service;
2. For any amount not reimbursed to the Service within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed;
3. You will reimburse the Service for any fees imposed by Coastal as a result of the return;
4. You will reimburse the Service for any fees it incurs in attempting to collect the amount of the return from you; and,
5. The Service is authorized to report the facts concerning the return to any credit reporting agency.

## **ALTERATIONS AND AMENDMENTS**

This Agreement, applicable fees and service charges may be altered or amended by Coastal from time to time. In such event, notice shall be provided through the Service. Any use of the Service after Coastal provides you a notice

of change will constitute your agreement to such change(s). Further, Coastal may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, Coastal reserves the right to terminate this Agreement as to all such prior versions of the applications, services, and/or related material and limit access to only the Service's more recent revisions and updates. In addition, as part of the Service, you agree to receive all legally required notifications via electronic means.

## **ADDRESS OR BANKING CHANGES**

It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made either within the application or by contacting Customer Service. Any changes in your Payment Account should also be made in accordance with the procedures outlined within the Service's Help files. All changes made are effective immediately for scheduled and future Bill Payments paid from the updated Payment Account information. Neither Coastal nor the Service Provider is responsible for any payment processing errors or fees incurred if you do not provide accurate Payment Account or contact information.

## **SERVICE TERMINATION, CANCELLATION, OR SUSPENSION**

In the event you wish to cancel the Service, you may have the ability to do so through the product, or you may contact customer service via one of the following:

1. Telephone us at 800-868-4262 or 919-420-8000 during customer service hours; and/or
2. Write us at:  
Coastal Federal Credit Union  
PO Box 58429  
Raleigh, NC 27658

Any Bill Payment(s) the Service has already processed before the requested cancellation date will be completed by the Service. All Scheduled Payments including recurring Bill Payments will not be processed once the Service is cancelled. The Service may terminate or suspend Service to you at any time. Neither termination nor suspension shall affect your liability or obligations under this Agreement.

## **BILLER LIMITATION**

Coastal and the Service Provider reserves the right to refuse to pay any Biller to whom you may direct a Bill Payment. The Service will notify you promptly if Coastal or the Service Provider decides to refuse to pay a Biller designated by you. This notification is not required if you attempt to make a Prohibited Payment or an Exception Payment under this Agreement.

## **RETURNED PAYMENTS**

In using the Service, you understand that Billers and/or the United States Postal Service may return payments to the Service for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. Coastal and/or the Service Provider will use its best efforts to research and correct the returned payment and return it to your Biller, or void the payment and credit your Payment Account. You may receive notification from the Service.

## **INFORMATION AUTHORIZATION**

Your enrollment in the Service may not be fulfilled if Coastal or the Service Provider cannot verify your identity or other necessary information. In order to verify ownership of the Payment Account(s) and/or Billing Account, the Service may issue offsetting debits and credits to the Payment Account(s) and/or Billing Account, and require

confirmation of such from you. Through your enrollment in the Service, you agree that Coastal and/or the Service Provider reserves the right to request reviews of your credit rating at its own expense through an authorized bureau at any time. In addition, you agree that Coastal and/or the Service Provider reserves the right to obtain financial information regarding your account from a Biller or your financial institution (for example, to resolve payment posting problems or for verification) at any time.

## **DISPUTES**

In the event of a dispute regarding the Service, you and Coastal agree to resolve the dispute by looking to this Agreement. You agree that this Agreement is the complete and exclusive statement of the agreement between you and Coastal which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Service relating to the subject matter of this Agreement. If there is a conflict between what an employee of the Service or Customer Service Department says and the terms of this Agreement, the terms of this Agreement will prevail.

## **ASSIGNMENT**

You may not assign this Agreement to any other party. Coastal may assign this Agreement and may also assign or delegate certain of its rights and responsibilities under this Agreement to independent contractors or other third parties.

## **NO WAIVER**

Coastal shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by us. No delay or omission on the part of Coastal in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

## **CAPTIONS**

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

## **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, without regard to its conflicts of laws provisions. Any action shall be brought in the state or federal courts located in Wake County, North Carolina. To the extent that the terms of this Agreement conflict with applicable state or federal law, such state or federal law shall replace such conflicting terms only to the extent required by law. Unless expressly stated otherwise, all other terms of this Agreement shall remain in full force and effect provided, however, that any dispute solely between you and the Service Provider shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its conflicts of laws provisions.

THE FOREGOING SHALL CONSTITUTE COASTAL'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL COASTAL 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 INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.