

# Business Online Banking Agreement & Disclosures



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Credit Union 1

This Agreement is the contract which covers your and our rights and responsibilities concerning Online Banking (“Online Banking”) services offered to you by Credit Union 1 (“Credit Union”). In this Agreement, the words “you” and “yours” mean those who submit an Online Banking authorization form and any authorized users. By signing or submitting an Online authorization for the Online Banking service, you agree to the following terms governing your and our rights and responsibilities concerning the Online Banking electronic funds transfer services. You agree that when you use Mobile Banking, you will remain subject to the terms and conditions of all your existing agreements with us including the Member Service Agreement and “Our Electronic Funds Transfer Terms.”

Electronic funds transfers (“EFTs”) are electronically initiated transactions through Online Banking and Bill Payer transactions involving your deposit accounts.

## 1. Administration

### a. Business Administrators

A business Primary Administrator may create, edit, delete and maintain key services including the resetting of Usernames and Passwords. The primary Administrator may use all accounts, modules and services. Secondary Administrators may edit or delete other business users, unlock and authorize new passwords for other business users. Primary Administrators designate the level of access available to each individual user.

### b. Users

A user is anyone who is granted access to your account via Business Online Banking. Unless a user’s access to particular accounts or services is specifically restricted by an administrator, the user may have access to all of your accounts or services. User must contact a Company Administrator for support. The Credit Union will provide support to the Company Administrator(s) designated by Company.

### c. Account Access

Business Online Banking may be accessed using a personal computer, tablet, or other device capable of internet access. For security purposes, each user will be required to select a user ID, Password, select security questions and secret answers, as well as choose and name a personal image. Each user must use their user ID and password along with any other required information to access the account. You are responsible for the proper operation and maintenance, and operation of any computer and software and supported browsers being utilized for Business Online Banking. The Credit Union will not be responsible for any errors or failures involving telephone service, Internet service provider, your software installation or your computer’s operation.

## 2. Online Banking Services

Upon approval, you may use your personal computer to access your accounts. You must use your user ID along with your security code to access your accounts. The Online Banking service is accessible seven (7) days a week, 24 hours a day. However, from time to time, some or all of the Credit Union’s Online Banking services may not be available due to system maintenance. You will need a personal computer and a web browser. The Online address for the Online Banking service is cu1.org. You are responsible for the installation, maintenance and operation of your computer, router and modem or any other equipment to access the Internet. The Credit Union will not be responsible for any errors or failures involving any telephone service or your computer. At the present time, you may use the Online Banking service to:

- Transfer funds among the accounts you have with us, including payments to consumer, real estate, and credit card loans.
- Check the status of automatic deposits and payments, including their distribution to the accounts.

- Review and print a copy of a paid check.
  - Review previous statements and transaction activity on the accounts since your last statement.
  - Check tax information on the accounts, including dividends and loan interest for the current and previous year.
  - Make payments from the accounts to third parties using Bill Pay.
  - Order checks for the checking accounts.
  - Sign up for eStatements and other email notifications using Alerts.
- Transactions involving your deposit accounts will be subject to the terms of your Business Member Service Agreement and transactions involving a line of credit or credit card account will be subject to your Loan Agreement and Disclosures or Credit Card Agreement, as applicable.

## 3. Online Banking Service Limitations

The following limitations on Online Banking transactions may apply:

### a. Transfers

You may make transfers to the accounts with us as often as you like. Bill payer transactions are unlimited. You may transfer or withdraw up to the available balance in the account or available credit line at the time of the transfer, except as limited under other agreements. We reserve the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance or otherwise require us to increase our required reserve on the account.

### b. Account Information

The account balance and transaction history information may be limited to recent account information involving your accounts. Also, the availability of funds for transfer or withdrawal may be limited due to the processing time for any Automated Teller Machine (ATM) deposit transactions and “Funds Availability of Deposits.”

### c. Messages

You may use secure email to send messages to us. Secure emails may not, however, be used to initiate a transfer on your account or a stop payment request. The Credit Union may not immediately receive message communications that you send and the Credit Union will not take action based on message requests until the Credit Union actually receives your message and has a reasonable opportunity to act. If you need to contact the Credit Union immediately regarding an unauthorized transaction or stop payment request, you may call the Credit Union at the telephone number set forth in section 5. Member Liability.

### d. Illegal Use or Internet Gambling

You may not use the Online Banking services for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. You agree that all transactions that you initiate by use of a Service are legal in the jurisdiction where you live and/or where the transaction occurred. Internet gambling may be illegal in the jurisdiction in which you are located, including the United States. Your electronic funds transfers may only be conducted for legal transactions. We have restricted all online gambling transactions by use of an electronic funds transfer service.

## 4. Bill Pay Service

When you apply for the Bill Pay Service you must designate your Checking Account as the account from which payments that you authorize will be deducted. You will be given the ability to set up merchants, institutions or individuals that you would like to pay. You have the option to set your payments up as recurring or manual one-time payments. You are not permitted to designate governmental agencies or courts. We reserve the right to not allow the designation of a particular merchant or institution. You may not use

this service to pay taxes. Unless advised otherwise, payments may only be made to payees located in the United States.

You or any persons who you have authorized to use your Bill Pay Service, Online Banking Service, sign-on password or any access code can perform the following transactions

- Make loan payments from any checking or savings account to a loan account with us.
- Make payments from any checking or savings account to another financial institution.
- Pay bills from any checking or savings account with us.

Please note that if payment to a payee is made by check, the check may be processed and debited from your account before the scheduled payment date.

#### **a. Bill Pay Transactions**

You authorize us to process bill payments from your designated account. You may use the Bill Pay service to initiate three different types of payment transactions:

- "On demand" or "one-time" payments are payments that are not reoccurring. You set up the payment date and amount each time you wish to make a payment to the payee. You may cancel or edit a payment if the status is pending.
- "Expedited" payments are delivered faster than standard payments. These payments are subject to a fee as set forth in the Rate and Fee Disclosures. You cannot cancel or edit an expedited payment once it has been submitted.
- "Recurring" payments are payments that are reoccurring on a fixed due date and fixed amount. You have an option in the Bill Pay system to set these automatic payments to continue indefinitely or set a maturity date. You may cancel or edit a payment if the status is pending.

#### **b. Authorized Payments**

When you transmit a bill payment instruction to us, you authorize us to transfer funds to make the bill payment transaction from your checking account you designate. We will process bill payment transfer requests only to those payees the Credit Union has designated in its User Instructions and such payees as you authorize and for whom the Credit Union has the proper payee code number. The Credit Union will not process any bill payment transfer if we know the required transaction information is incomplete. In any event, the Credit Union will not be liable for any transaction that contains incorrect information that the Credit Union was not responsible for entering or knowing. If there are insufficient funds in your account to make the bill payment request, we may either refuse to make the payment or make the payment and transfer funds from any overdraft protection account you have established. The Credit Union reserves the right to refuse to process payment instructions that reasonably appear to the Credit Union to be fraudulent or erroneous.

#### **c. Processing Payments**

The amount of your requested bill payments will be deducted from your account (normally within two business days of the date that the payment is transmitted to the payee). You will receive a confirmation number at the time of each transaction. Therefore, you must have sufficient funds available to cover your payment on the date in which the payment is scheduled to be issued.

Bill payments are delivered to the payee either electronically, which may take up to five business days from the Scheduled Debit Date, or by check to those payees not set up to accept electronic payments, which may take up to ten business days from the Scheduled Debit Date. It is your responsibility to schedule your bill payments in such a manner that your obligations will be paid on time. You should enter and transmit your bill payment instructions at least ten (10) business days before a bill is due. If you do not allow sufficient time, you assume full responsibility for any late payments or finance charges that may be imposed as a result of your failure to transmit a timely bill payment authorization.

#### **d. Canceling or Changing Bill Payments**

You may cancel or stop payment on future and recurring bill payments instructions under certain circumstances by following the

instructions provided. If you discover an error in or want to change a payment instruction (i.e. payment date or payment amount) for a bill payment that you have already scheduled for transmission through the Bill Pay Service, you may electronically edit or cancel your payment request through the Bill Pay Service. Your cancellation request must be entered and transmitted through the Bill Pay Service before the date you have scheduled for payment. If your request is not timely entered, you will be responsible for the payment.

If you wish to place an oral stop payment on a recurring bill payment transaction, not using the Bill Pay Service, the Credit Union must receive your oral stop payment request at least three (3) business days before the Scheduled Debit Date. You may call the Credit Union at the telephone number set forth in Section 5 of the Business Online Banking Agreement to request a stop payment. If you call, the Credit Union may require you to confirm your stop payment request in writing within 14 days after the call.

#### **e. Third Party Services**

The actual payment mailings (checks) and electronic fund transfers of bill payments may be handled by an independent third party. Neither the Credit Union nor our third-party affiliates will be responsible for the completion and accuracy of the transaction information that you submit, add, or delete from the online bill payment platform.

### **5. Security of Password or Access Code**

#### **a. Initial Access**

After you have successfully accessed the Online Banking Service, you will then select a specific, personal password to access the Online Banking Service for future access to the system. After your initial sign-on, you may change your password at any time by selecting the appropriate function from the settings menu within the Online Banking Service.

#### **b. Security**

The personal identification number or access code ("access code") that you select is for your security purposes. The access code is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized by you to sign on your accounts. If you authorize anyone to have or use your access code, you understand that person may use the Online Banking service to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your signature authorizing transactions.

#### **c. Authorization**

If you authorize anyone to use your access code in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your access code immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your access code is changed. If you fail to maintain or change the security of these access codes and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

### **6. Company Liability**

You are responsible for all transfers you authorize using the Online Banking services under this Agreement. If you permit other persons to use your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe anyone has used your access code and accessed your accounts without your authority. Telephoning is the best way of keeping your possible losses down.

If you believe your access code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: 907.339.9485 or 800.478.2222, or write to us at: 1941 Abbott Road, Anchorage, AK 99507.

## 7. Fees and Charges

The charges for the Online Banking services are set forth in "Our Rates & Service Charges." From time to time, the charges may be changed. We will notify you of any changes as required by law.

## 8. Transaction Documentation

Transfers and withdrawals transacted through the Online banking services will be recorded on your periodic statement by mail or electronically if you have requested an electronic statement. You will receive a statement monthly. You may request that your statement be provided electronically.

## 9. Account Information Disclosure

We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy as stated on our website at: [cu1.org](http://cu1.org). However, we will disclose information to third parties about your account or the transfers you make in the following circumstances:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant.
- To comply with government agency or court orders;
- If you give us your express permission.

## 10. Disclaimer of Warranties

YOU ACKNOWLEDGE THAT THE SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM YOUR USE OF THE SERVICE. THE CREDIT UNION MAKES NO AND EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICE INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CREDIT UNION DISCLAIMS ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICE (INCLUDING, WITHOUT LIMITATION, THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). YOU FURTHER ACKNOWLEDGE THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. YOU ASSUME ALL RISKS RELATING TO THE FOREGOING.

## 11. Limitation of Liability for Online Banking

Our sole responsibility for an error in a transfer will be to correct the error. You agree that neither we nor the service providers shall be responsible for any loss, property damage or loss, whether caused by the equipment, software, Credit Union, or by browser, or by access providers or by online service providers or by an agent or subcontractor of any of the foregoing. Nor shall we or the service providers be responsible for any direct, indirect, special or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, Online Banking services or browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via the Online Banking Services and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. The Credit Union will not be liable for the following:

- a. If, through no fault of ours, you do not have enough money in your account to make the transfer, your account is inactive, or the transfer would go over the credit limit on your line of credit, if applicable.

- b. If you used the wrong access code or you have not properly followed any applicable computer, or Credit Union user instructions for making transfer and bill payment transactions.
- c. If your computer fails or malfunctions or the phone lines or Credit Union computer system was not properly working and such problem should have been apparent when you attempted such transaction.
- d. If circumstances beyond our control (such as fire, flood, telecommunication outages or strikes, equipment or power failure) prevent making the transaction.
- e. If the funds in your account are subject to an administrative hold, legal process or other claim.
- f. If you have not given the Credit Union complete, correct and current instructions so the Credit Union can process a transfer.
- g. If, through no fault of ours, a bill payment or funds transfer transaction does not reach a particular payee due to changes in the payee address, account number or otherwise; the time you allow for payment delivery was inaccurate; or the payee failed to process a payment correctly, or in a timely manner, and a fee, penalty, or interest is assessed against you.
- h. If the error was caused by a system beyond the Credit Union's control such as a telecommunications system, an online service provider, any computer virus or problems related to software not provided by Credit Union.
- i. If there are other exceptions as established by the Credit Union.

## 12. Termination of Online Banking Services

You agree that we may terminate this Agreement and your Online Banking services, if you, or any authorized user of your Online Banking services or access code breach this or any other agreement with us; or if we have reason to believe that there has been an unauthorized use of your Accounts or access code or if you conduct or attempt to conduct any fraudulent, illegal or unlawful transaction, or if we reasonably believe your account conduct poses an undue risk of illegality or unlawfulness. You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

## 13. Notices

The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will notify you at least twenty-one (21) days before the effective date of any change, as required by law. This means we will mail you notice or if you have consented to electronic disclosure, we will send it to the e-mail address you have designated. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

## 14. Enforcement

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the state of Alaska as applied to contracts entered into solely between residents of, and to be performed entirely in, such state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Alaska law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.