

**C&O United Credit Union's Online Banking
Internet Access Service Agreement and Disclosure**

May 2003

This Internet Access Service Agreement and Disclosure ("Agreement") contains terms and conditions governing C&O United Credit Union's Online Banking Internet Access service (also called "Perfect Teller"). You understand that by using one of the services available through C&O United Credit Union's web site and Perfect Teller Online Banking, you agree to the terms and conditions applicable to that service as set forth in this Agreement. Please keep a copy of this Agreement for your records. If you are unable to print a copy or need assistance, please contact the credit union.

As described more fully in this Agreement Perfect Teller Online Banking is an Internet-based service that permits you, through the use of a personal computer or Internet-enabled device, to:

Some of the following services may not be available at this time.

- (1) Obtain balance and recent transaction information on your share and loan accounts with C&O United Credit Union.
- (2) Transfer funds between certain accounts linked to your membership number;
- (3) Download account information to personal financial management software.
- (4) Request a Stop Payment on a check(s) written from your Share Draft account that have not been presented to C&O United Credit Union for payment.
- (5) Reorder Share Drafts, if the last order was placed by the credit union.
- (6) Access copies of your member statements (when available)
- (7) View Tax Information
- (8) Apply for a loan
- (9) Change your Password Online
- (10) Other Services - specify, e.g., pay third parties, **etc.**

1. DEFINITIONS

In this Agreement, the following words have the meanings given below:

"You" and "Your" mean each person who enrolls with C&O United Credit Union for Perfect Teller Online Banking, authorized users and all account owners if the accounts are joint accounts, jointly and severally.

"Password" means that system-generated code that is selected by you for your use as your initial sign-on, or the code you select from time to time after your initial sign-on to Perfect Teller Online Banking.

"We", "us", "our", refer to C&O United Credit Union.

"**Service(s)**" means the account transfer, inquiry, account request and loan application services, which are available to you through Perfect Teller Online Banking.

"**Account**" and "**accounts**" mean those Share Draft Checking and Share Savings Accounts from which you may make withdrawals and transfers through the Service.

"**Transaction**" means electronic funds transfer to or from your account conducted through the Service.

"**Business Days**" means Monday through Friday, excluding Holidays.

2. GENERAL TERMS

a. Enrollment:

You must be a member of C&O United Credit Union in "good standing" and must sign an enrollment form in order to use Perfect Teller Online Banking. You may make a request to enroll through our web site at www.co-united.org however, a signed enrollment form with an original signature **must** be returned to us **before** a Password will be issued to use Perfect Teller Online Banking. We will provide you with instructions on how to download Perfect Teller Online Banking as a part of the enrollment process.

b. Computer Requirements:

You are required to acquire and maintain, at your own expense, access to the Internet and an Internet browser with sufficient security and encryption capacities as required from time to time. You are responsible for the maintenance of your personal computer or other Internet - enabled device, the purchase and use of virus protection software and for obtaining technical support from the manufacturer or your personal computer, Internet browser, software and other auxiliary devices (such as a printer). Support from C&O United Credit Union is limited to assistance on the use of Perfect Teller Online Banking and questions regarding Transactions processed on your account.

You represent that you have considered the security procedures of Perfect Teller **Online** Banking and find that the security procedures are commercially reasonable for verifying that a request or other communications purporting to have been issued by you is, in fact, yours. In reaching this determination, you have considered (and will continue to monitor and consider) the size, type and frequency of requests and other communications that you anticipate issuing to us.

c. Use of E-Mail and other Electronic Communications:

You agree that we may provide this Agreement, amendments to this Agreement, and other communications regarding Transactions, including periodic statements, electronically in a format that allows visual text to be displayed on your personal computer or other electronic equipment. You agree to review these communications when a link for such items is provided or when an email message is sent to you.

d. Password:

A code selected by you will be assigned to you as your Perfect Teller Online Banking Password. One Password will be generated for each membership number and all accounts under that membership number may be accessed by that Password. If access is requested for more than one membership number, a separate Password will be issued for each membership number listed on the enrollment form. You acknowledge that if there is more than one owner of your account, all owners on your account are authorized to process transactions through Perfect Teller Online Banking using one Password.

The Password is separate from other passwords which give you access to your account using other devices; this gives you added protection in the event that one or more of your other Passwords is compromised.

You agree to change your Password immediately after your initial sign-on and to periodically change your Password to prevent unauthorized access to your account.

Once you make the required initial change, no employee of C&O United Credit Union will have access to, or knowledge of your Password, and you should not disclose your Password to us.

You will hold in strict confidence your Password and you will **NOT** select a Password that may be easily discovered (such as your birth date).

You agree that you will **NOT** write down your Password. This action invites misuse of accounts if such items are lost or stolen. YOU should protect your Password, as you would cash, credit cards or checks - it is the "key" with which someone can access your accounts.

e. Transactions and Authority to Charge Account:

Access to your accounts to process Transactions may be made through Perfect Teller Online Banking. You authorize us to charge or deduct from your account any Transactions completed through the use of the Services, including the amount of any transfer that you make and any charges for the Services. You authorize us to process Transactions according to the instructions received through the Services.

You understand that by making transfers through the Service, we rely on the account and other identifying numbers you supply. In addition, you understand that Transactions will be made according to those account and other identifying numbers (and a deduction from your account will be made), even if such numbers do not match the beneficiary or account you intended to pay or transfer funds to. You authorize us to initiate any reversing entry or reversing file and to debit your accounts with us or elsewhere, in order to correct a mistaken credit entry.

If, by mistake, the use of your Password permits you to withdraw funds from an account that you should not be allowed to use in such a manner, we may charge the amount involved to a valid account owned by you. You agree not to conduct Transactions that would overdraw any account. If you do so, then you owe us the amount **immediately**, plus any applicable service charge. We may also deduct, without prior notification to you, the amount you owe from any of your accounts, or, if you have an overdraft protection loan account, the overdrawn amount will be considered as a request for a loan advance, at our discretion.

f. Collection Expenses:

You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions.

g. Reporting a Lost Password or Other Unauthorized Transaction:

If you believe that your Password has been lost, stolen, or used by an unauthorized person or that someone has transferred or may transfer funds from your account without your permission, you will tell us at once.

The fastest way to notify us is to call 859-3331-3447 or (800) 964-8205 and speak with a credit union employee during business hours on any Business Day. Business Days are Monday - Friday, excluding holidays.

C&O United Credit Union
3029 Dixie Highway
Edgewood, KY 41017

If you recover your Password **after** you have notified us, you **will not** use it unless we tell you otherwise.

h. Responsibility:

You are responsible for all Transactions made on your accounts by anyone with your Password, including unauthorized Transactions, subject to the limitations applicable law. Legal limitations on your liability for unauthorized Transactions are summarized in Section 4(a) below. You agree to hold us harmless for any and all Transactions you authorize (either in writing or by your words or conduct) on your account. We have no obligation to monitor the use of your Password or notify you if unusual activity occurs.

i. Termination and Amendment:

We may terminate or cancel your right to make Transactions or cancel this Agreement with you at any time. We may give notice of termination or cancellation, but we are not obligated to do so. If you close your account, your accounts become overdrawn or if you lose your "member in good standing" status, the credit union will cancel this Agreement **immediately**.

Failure to use the Service for a consecutive period of 90 days will result in automatic termination of your access to the Service and you must re-enroll to use the Service. Your Password may not be used after we terminate it. You may terminate or cancel your access to Perfect Teller Online Banking by giving us written notice specifying that you wish to terminate. Termination of the Service by one account owner terminates access for all account owners. Your written notice of termination will become effective no later than two Business Days after we receive your notice. Any termination will **NOT** affect any liability incurred by you prior to termination.

We may change the terms under this part at any time by electronically transmitting or mailing a copy of the changes to your most recent account address on file. Unless we are required to give you advance notice by law, changes are effective on the date changes are mailed or transmitted, unless a later time is stated in the notice. Use of your Password after the effective date of the change will acknowledge your acceptance of that change.

j. System Malfunction:

You will not attempt to make a Transaction when Perfect Teller Online Banking informs you (or other circumstances give you reason to believe) that the system is closed or is not operating properly due to a technical malfunction, or is unable to initiate the Transaction you desired.

k. Agreement Controls:

Both you and we will be bound by the terms of this Agreement. The instructions given by Perfect Teller Online Banking on how to use the Services as well as written instructions for Perfect Teller Online Banking are a part of this Agreement. If there is a conflict between the terms of this Agreement and something said by our employees, you agree that these terms control. This agreement is governed by federal law and, to the extent not preempted, the laws of Kentucky (excluding conflicts of law principles).

l. Circumstances in Which We will Disclose Account Information to Third Parties.

We will disclose information to third parties about your account or Transactions that you make:

- When it is necessary for completing Transactions;
- To verify the existence and condition of your account for a third party such as a credit bureau or merchant;
- In the course of making reports or returns required by federal or state law, to comply with any government agency, court order, or applicable law and to our supervisory agency;

- As permitted by Kentucky law, including the Right to Financial Privacy Act and the Fair Credit Reporting Act;
- As described in the Privacy Notice we give you from time to time;
- When you authorize us to do **so**.

3. DETAILED DESCRIPTION OF SERVICES

Unless otherwise indicated, the information in this section applies to Services available through Perfect Teller Online Banking.

a. General Availability:

You may use the Services day or night, 7 days a week by signing on to Perfect Teller Online Banking and entering your membership number and Password for the Services desired. The Services may be temporarily unavailable for scheduled routine maintenance or technical difficulties experienced by us or our agents.

b. Types of Transactions Available through the Perfect Teller Online Banking System and limits on Transactions:

The Services, with your membership number and your Password, may be used to make the following Transactions or requests:

- Transfer funds between your account types, make a transfer **to** an account from a Line of Credit Account, or make a transfer from your account to make a payment **on** _____ **loans**.
- Make balance inquiries in regards to your share, certificate and loan accounts, make inquiries concerning recent deposits, withdrawals and payments, and view recent account statements.
- Request a Stop Payment on check(s) written from your account that have not been presented to us for payment in accordance with the timing and other provisions set forth in our "Membership and Account Agreement" brochure. This type of request is effective for 6 months.
- Submit a request or advance on certain loans and make inquiries on the status of a loan request submitted through _____ Online Banking.
- Download transaction information from _____ Online Banking into personal financial management or spreadsheet software, which you have purchased.

Except as provided in this paragraph, you may make any number of Transactions among your accounts through Services as long as you stay within the collected funds for the account.

For security reasons, there may be r limits on the number or dollar amount of Transactions you may make through the Services.

Transactions conducted through the Services are processed at the time you conduct them. You may not "cancel" or "stop" a Transaction once made.

c. Documentation and Verification of Transactions:

You will be asked to confirm a Transaction by entering your Password; the Transaction is considered to be complete only after you have had the opportunity to review the details of the Transaction and entered your Password. Confirmation that the Transaction has been accepted will be given; however you will not receive a reference number or transaction receipt. You should record the information about the Transaction in the register you keep for the account; this will help in resolving any problems that may occur. If you have a connected printer, you should be able to print a copy of the confirmation supplied.

Information concerning Transactions conducted through the Services will be shown on your periodic statements for the appropriate accounts. A statement will be generated monthly, unless there are no Transactions in a particular month. In any case, a statement will be generated at least quarterly.

Refer to Section 4, concerning your duties to report errors and questions.

d. Circumstances Under Which Transactions Cannot Be Made:

From time to time, Transactions cannot be made for one or more of the reasons listed below.

- Through no fault of ours, you do not have enough money available in your account to make the Transaction,
- The Transaction would exceed your credit limit on your Overdraft or other Line of Credit,
- Circumstances beyond our control (such as fire or flood) prevent the Transaction, despite reasonable precautions we have taken,
- The funds are subject to legal process or other encumbrance restricting such Transaction,
- You have not properly followed instructions for operation of the Services,
- **The** Transaction would exceed one of the established limits contained in this Agreement,
- Your computer or Internet-enabled device, phone lines or Perfect Teller Online Banking was not working properly or was temporarily unavailable, and this problem was apparent or should have been apparent to you when you attempted the Transaction,
- If the funds in your account are not available due to compliance with legal processes such as garnishment, tax levy, court order, as permitted in our Member and Account Agreement with you,
- We have received incomplete or inaccurate information from you or a third party involving the account or Transaction,
- We have reasonable basis for believing that unauthorized use of your Password or Account has occurred or may be occurring.
- **You or** we have terminated or cancelled this Agreement or closed the account.

We will NOT be liable for failing to make a Transaction to or from your account on time or in the correct amount under any of these circumstances.

4. ADDITIONAL PROVISIONS ON UNAUTHORIZED, LIABILITY AND ERROR RESOLUTION

a. Liability for Unauthorized Transactions:

If you believe your Password is lost or stolen and tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone uses your Password without your permission.

If you **DO NOT** tell us within two (2) business days after you learn of the loss or theft of your Password and we can prove that we could have stopped someone from using your Password without your permission if you had told us, you could lose as much as \$500.00.

Also, in **ALL** cases, if your statement shows Transactions that you did not make you should tell us at once as provided in Section 2 (g). If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

b. In Case of Errors or Questions About Your Transactions:

Write us at C&O United Credit Union, 3029 Dixie Highway, Edgewood, KY 41017, as soon as you can, if you think your statement or confirmation is wrong or if you need more information about a Transaction listed on the statement or confirmation. **We will not accept notification by email.** We must hear from you no later than 60 days after we send the **FIRST** statement on which the problem or error appeared. **You must:**

- Tell us your name and account number,
- Describe the error or the Transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information, and
- Tell us the dollar amount of the suspected error.

C&O United Credit Union will investigate your complaint and tell you the results within 10 business days

(or 20 business days for foreign-initiated transactions or 20 business days for all transfers resulting from **point-of-sale** ATM/debit card transactions) after we hear from you in writing. If it is determined that you were charged in error, we will temporarily credit your account within the initial 10 business days.

In the event that more than the initial 10 business days is needed for the investigation, we may take up to 45 calendar days (90 calendar days for foreign-initiated transfers and all transfers resulting from point-of-sale ATM/debit card transactions or if the EFT occurred within 30 days after the first deposit to a new account was made) to complete the investigation.

If C&O United Credit Union takes more than the initial 10 business days to complete the investigation, we will temporarily credit your account for the amount in questions. However, if we determine there is no error, the temporary credit will be removed immediately from your account and we will send you a written explanation within three (3) business days after we complete the investigation.

5. SCHEDULE OF FEES FOR THE Perfect Teller ONLINE BANKING SERVICE

As of May 2003 there are no fees directly associated with Online Banking.

All fees are subject to be implemented or change at any time, without advance notice. A current list of charges can be found in the Schedule of Fees, which is available at the credit union office or by calling the credit union.

I/We have read and understand the terms of the C&O United Credit Union's Perfect Teller Online Banking Internet Access Service Agreement and Disclosure. I/We have printed or saved a copy for our records. By signing this agreement and disclosure, I/we agree to abide by the terms of the agreement. I/We wish to have passwords to access the following accounts through Perfect Teller Online Banking:

Please complete the following information and provide an email address below to receive the link to our program.

Member Number

Member Number

Member Number

Password

Password

Password

As noted on page two of this agreement, I will change my password on my initial log on.

Member Signature Date

Member Signature Date

Member Signature Date

Member Signature Date

Please mail this form to:

**C&O United Credit Union
Attn.: Perfect Teller
3029 Dixie Highway
Edgewood, KY 41017**

Once C&O United Credit Union receives this form, we will enter the password(s) and email the link to the Perfect Teller Online Banking to the email address you provide.

Email Address