

PALCO@Home Service Agreement

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Welcome to PALCO@Home. Under the federal Electronic Fund Transfer Act and the Federal Reserve Board's Regulation E, you are entitled to receive certain disclosures. The Regulation provides that if you agree, the required initial disclosures may be delivered to you electronically. These disclosures have been integrated into the body of our PALCO@Home agreement. They appear in bold type, to make it easier for you to identify them. You should print a copy of it, read it carefully, and retain it in your possession. Under the terms of the Agreement, you are not committed to it until you use PALCO@Home.

PALCO Federal Credit Union is making available to its members PALCO@Home, an online banking service, hereinafter referred to as Service, and defined in paragraph 2 herein. This Agreement governs use of the Service by members of PALCO Federal Credit Union. PALCO Federal Credit Union and any agent, independent contractor, designee, or assignee that it, at its sole discretion, involves in the provision of service shall hereinafter be referred to as we, us, or our. A credit union member who agrees to use the Service will hereinafter be referred to as you or your.

1. **Electronic Delivery.** You agree to receive this Agreement, which includes initial disclosures required under federal law and regulations, electronically. The required disclosures appear in bold type. You should print a copy of this Agreement, read it carefully, and retain it in your records.

2. **Definitions.** As used in this Agreement, Account(s) refers to your checking, savings, savings clubs, share certificates, or loans, including VISA you have with the credit union, some of which may not be eligible for electronic transfers using the Service; Agreement refers to the Member Services Agreement containing the terms and conditions governing your Accounts; Billing Account means the account you have designated to be charged for all fees and charges, if any, associated with the Services; Financial Software means AFTECH@Net Software or any replacement therefore; the Service refers to PALCO Federal Credit Union's electronic account interface, which allows you to access account and transaction information, transfer funds, and request check withdrawals on a personal computer through the Financial Software; Software License Agreement(s) means the software license agreements governing your use of the Financial Software.

3. **Applicability, Effective Date.** This Agreement governs your use of the Service for consumer purposes, and becomes effective upon your first use of the Service.

4. **Transfer Types and Limitations.** You may use a personal computer ("PC") to access Account and transaction information and order transfers of funds among your eligible Account(s). Not all credit union accounts are eligible for electronic transfers using the Service. There are no limitations on the frequency of transfers you may make; however, the dollar amount may not exceed \$10,000.00.

5. **Software and Equipment Requirements.** You may access the PALCO@Home software via the Internet. From time to time, there may be upgrades in the PALCO@Home software. If there is a cost for the new release, a written notice will be provided in advance of any fee that is payable. If required, you must load any such upgrades to your PC to ensure proper operation of the Service. In order to use the Service, your PC must meet the minimum requirements set forth in the PALCO@Home brochure or Online Help. The credit union may change these requirements from time to time. If any of these requirements change, the credit union will provide you with advance notice of the change.

6. **Your Member Number, PIN, and Password.** You will be assigned a Member Number, PIN (personal identification number), and a Password, which you will use to obtain access to your Account(s) at the credit union. Your Member Number, PIN, and Password may sometimes be referred to herein, collectively, as Code. You authorize us to follow any instructions entered through the Service using your Member Number, PIN, and Password. Because your Member Number, PIN, and Password can be used to access money in your Account(s) and to access information about these Account(s), you should treat your Member Number, PIN, and Password with the same degree of care and secrecy that you use to protect your ATM PIN and other sensitive financial data. We may ask you to change your PIN and Password from time to time for security reasons. You agree not to use any language that is abusive, harassing, libelous, defamatory, obscene, or threatening when defining your PIN, Password, or any other personalization of your Account(s).

7. **Sharing Your Member Number, PIN, and Password with Others.** You agree not to give or make available your Member Number, PIN (personal identification number), or Password to any person who is not authorized to access your Accounts. If someone to whom you have granted authority to use your Member Number, PIN, and Password exceeds such authority, you are fully liable for all transfers and payments made by such person until you have notified us that you have terminated the authority granted to such person and have given us a reasonable period of time to act upon such notice. We may require that you put such notice in writing. Upon receipt of such notice we may require you to immediately change your Member Number, PIN, and Password, and to identify the person or persons you believe to have exceeded such authority. You agree to cooperate with us in the investigation and prosecution of any person who has obtained and used your Member Number, PIN, and Password without your authorization.

8. **Balance Inquiries and Transfers.** You may use the Service to check the balance of your Accounts and to transfer funds among your eligible Accounts. In order to initiate one of these transactions, you must first use your Member Number, PIN (personal identification number), and Password to go online and obtain access to your Accounts. The balance shown may include deposits still

subject to verification by us. The balance shown also may differ from your records because it may not include deposits in progress, outstanding checks, or other withdrawals, payments or charges. A fund transfer request will be transacted immediately, if funds are available. If there are insufficient funds in an Account from which you are requesting a funds transfer, including any overdraft line of credit, you will be notified immediately by an electronic message.

9. **Documentation.** All of your funds transfers made through the Service will appear on your periodic account statement. You will receive a periodic statement for each monthly cycle in which a funds transfer has occurred and you will receive such periodic statement at least quarterly if no transfer has occurred.

10. **Fees.** The fees listed below will be charged in connection with the service. Changes may be made from time to time and we will give you prior notice either in writing or electronically.

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|--------------|-------------------------|----------------|-------------------------|
| Fees: | NSF Fee | \$15.00 | Per Occurrence |
| | Stop Payment Fee | \$ 4.00 | Per Stop Payment |

11. **Termination.** You may terminate your use of the Service at any time by writing to us. You must notify us at least ten days prior to the date on which you wish to have your Service terminated. We may require that you put your request in writing. Subject to applicable law, we may terminate your use of the Service, in whole or in part, at any time without notice if you do not pay any required fee when due, if you do not comply with the terms of this Agreement, or the agreements governing your Accounts. We may also terminate your use of the Service for any other reason by giving you thirty (30) days notice. Termination will not affect your liability or obligation under this Agreement for transactions that we have processed on your behalf.

12. **Business Days.** Our Business Days are Monday through Friday. Federal Reserve and credit union holidays are not included. You may use the Service twenty-four hours a day, seven days a week, except during maintenance periods, for the scheduling, and for funds transfers and balance inquiries.

13. **Confidentiality.** We will disclose information to third parties about your Accounts or the transfers you make:

- (a) where it is necessary for completing transfers and bill payments, or
- (b) in order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or
- (c) in order to comply with government agency, court orders, or applicable law, or
- (d) to enforce our rights in connection with a transaction governed by this Agreement;
- (e) to protect against or prevent actual or potential fraud, unauthorized transactions, claims or other liability;
- (f) if you have consented or directed us to disclose the information and your consent or direction has not been revoked;
- (g) where it is necessary to ensure appropriate institutional risk control, or for resolving disputes or inquiries.

14. **Consumer Liability.** Tell us AT ONCE if you believe your Member Number, PIN (personal identification number), or Password has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum overdraft line of credit. If you tell us within 2 business days, you can lose no more than \$50.00 if someone used your Code without your permission. If you believe your Code has been lost or stolen, and tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your Code without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of your Code, and we can prove we could have stopped someone from using your Code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, tell us at once. 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 prove that we could have stopped someone from taking the money if you had told us in time. If a good reason, such as a long trip or hospital stay, kept you from telling us, we will extend the time periods.

15. **Contact in Event of Unauthorized Transfer.** If you believe your Member Number, PIN (personal identification number), or Password has been lost or stolen, or that someone to whom you have granted authority to use your Member Number, PIN and Password has exceeded such authority, or that someone has transferred or may transfer money from your Account(s) without your permission, call us immediately at the phone number provided to you in the written disclosure or write to us at the address in the disclosure.

Contact Person: Office Manager, 191 Chad Road, PO Box 330, Muncy, PA 17756

16. **Liability for Transfers.** If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your direct losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (a) if, through no fault of ours, you do not have enough money in your Account to make the transfer;
- (b) if the transfer would go over the credit limit on your overdraft line;
- (c) if the funds in your Account are subject to legal process or other encumbrances restricting such transfer;
- (d) if the Service or your personal computer or modem is not working properly and you know about the malfunction when you started the transfer or payment;

(e) if circumstances beyond our control prevent the proper completion of the transaction despite reasonable precautions by us to avoid these circumstances. Such circumstances include, but are not limited to, fire, flood, delay in U.S. mail, interruption in your electrical power or telephone, the disconnecting of your telephone line by your local telephone company or from deficiencies in your line quality, or any defect or malfunction of your PC, operating software, modem, or telephone line, including the failure of your hardware and operating software to be Year 2000 ready; or the failure of any third party software to be Year 2000 ready. Year 2000 ready means the ability to process dates before, during and after the Year 2000 without malfunction. Or for any indirect, special or consequential damages.

(i) there may be other exceptions in our Agreement with you.

17. Additional Limitation of Liability. Except as otherwise provided in this Agreement or by law, we are not responsible for any loss, injury or damage, whether direct, indirect, special or consequential, caused by the Service or the use thereof or arising in any way out of the maintenance of the Financial Software, even if we have been advised of the possibility of such damages or losses.

THE CREDIT UNION MAKES NO WARRANTY, EXPRESS, OR IMPLIED, TO YOU CONCERNING THE SERVICE, EQUIPMENT, BROWSER, OR OTHER SERVICES INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR NONINFRINGEMENT OF THIRD-PARTY RIGHTS, UNLESS DISCLAIMING SUCH WARRANTY IS PROHIBITED BY LAW.

18. Error Resolution. In case of errors or questions about your electronic transfers, telephone us or write us at the number or address listed in paragraph 28, herein as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

(1) Tell us your name and account number

(2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.

(3) Tell us the dollar amount of the suspected error.

(4) If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within 10 business days, we may not credit your account.

We will tell you the results within three business days after completing our investigation. If we decide there was no error, we will send you a written explanation. You may ask for copies of documents that we used in our investigation.

19. This Agreement constitutes the complete and exclusive agreement related to the Service, and supplements the Member Services Agreement and any other agreement or disclosure related to your other Accounts. In the event of a conflict between this Agreement and any other agreement or disclosure related to your Accounts or any statement by our employees or agents, this Agreement shall control, only as to electronic fund transfers conducted by using this Service.

20. Waivers. No delay or omission by us in exercising any rights or remedies hereunder shall impair such right or remedy or be construed as a waiver of any such right or remedy. Any single or partial exercise of a right or remedy shall not preclude further exercise or the exercise of any other right or remedy. No waiver shall be valid unless in writing and signed by us.

21. Assignment. You may not assign this Agreement to any other party. We may assign this Agreement or delegate any or all of our rights and responsibilities under this Agreement to any third parties.

22. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of Pennsylvania without regard to that state's conflict of laws provision.

23. Amendments. We may amend or change any of the terms and conditions of this Agreement at any time upon reasonable written notice (including electronic communication) to you prior to the effective date of any change or amendment. If you do not agree to the change or amendment, you may notify us prior to the effective date of the change or amendment and cancel your access to the Service. Your continued use of the Service after the effective date of change will be deemed acceptance of the change or amendment.

24. Severability. If any provision of this Agreement is determined to be void or invalid, the remainder of this Agreement shall remain in full force and effect.