

CU at Home Online Banking Agreement & Disclosure

Introduction

This CU at Home Online Banking and Disclosure governs your use of Online Banking. Throughout this document the Agreement and Disclosure will be referred to as "Agreement" and CU at Home Online Banking will be referred to as "Online Banking". By using Online Banking, you agree to all of the terms of this Agreement. Please read it carefully and keep a copy for your records.

Definitions

You or Your - The person(s) subscribing to or using Online Banking.

We, Us, Our, and Credit Union - Refers to Southwest Colorado Federal Credit Union and any agent, independent contractor, designee, or assignee.

Business Day - Any calendar day other than Saturday, Sunday, or any holidays recognized by Southwest Colorado Federal Credit Union.

Hours of Accessibility

You can usually access your accounts through the internet (7) seven days a week, 24 hours a day. However, at certain times, some or all of the services may not be available due to system maintenance or reasons beyond the Credit Union's control. The Credit Union specifically does not warrant that the internet will be available at all times. During these times when services are not available, you may use our voice response system or our ATM to conduct your transactions (assuming you have applied for and been accepted to utilize such telephone and ATM services).

Availability Restrictions

With the exception of Canada and Mexico, we do not authorize any other foreign transactions on your ATM/Debit Card. The daily ATM or Debit Card PIN based transactions are limited to a maximum of \$500.00 per day or the lesser of your available balance.

Privacy Statement

Southwest Colorado Federal Credit Union understands how important privacy is to our members. We have taken steps to insure your security and privacy for your personal and financial dealings with the Credit Union. Our member privacy statement can be obtained online at www.swcolocu.coop or from any Southwest Colorado Federal Credit Union employee.

About Internet Banking

Southwest Colorado Federal Credit Union's CU at Home Online Banking consists of an online banking web site that provides a complete array of financial services to its members. Our web site can be accessed at www.swcolocu.coop.

The Online Banking system that is accessible by Southwest Colorado Federal Credit Union's members over the Internet currently consists of:

- Account Inquiries, Balances, etc.
- Up to 3 Months of Historical Transactions
- Transaction Downloads
- Account Transfers
- View Detailed Transactions
- Various Bookkeeping Services
- Payments to your Loan Accounts with us

Internet Security Information

Southwest Colorado Federal Credit Union's Online Banking system is part of a system designed and operated by Datamatic Processing Inc. that utilizes a comprehensive security strategy to protect your accounts and transactions conducted over the Internet. In addition to our log-on security, we use the SSL (secure socket layer) encryption technology for everything you do in the Online Banking system. This technology is automatically activated by your browser when it attempts to connect to our system and it will support the 128 bit key lengths. Whenever SSL is securing your communications, the browser will typically indicate the "secure session" by the appearance of a small icon of a padlock at the bottom of the screen that is locked. What this means to you is that your communications are scrambled from your browser to our servers at all times so no unauthorized party can read the information as it is carried over the Internet. In addition, our servers have been certified by a "Certificate Authority" that will assure you that you are actually talking to our servers instead of someone pretending to be us.

During your use of the Online Banking system, we will pass a "cookie" to your browser for identifying you during the session. We do not (and can not) use our cookies to obtain new information about you. A "cookie" is security data that is given to a browser by a web server that is returned by the browser on subsequent transmissions to identify the user and encryption information. When you log onto the system, this cookie enables us to process multiple transactions during the session without you having to provide your User ID and PIN for each individual transaction. When you log off, or inactivity timer expires, the cookie is no longer accepted and must be renewed by requiring the PIN to be reentered. A new cookie is used for each session. That way, no one can use the cookie to access your account.

By signing the CU at Home Online Banking Acknowledgment Form, you agree that you have approved such security procedures and that the procedures are commercially reasonable and adequate for the purposes intended. The Credit Union may rely on the security procedures identified herein to determine whether any instructions are authorized, and you will be bound by instructions issued in your name (or in the name of any Authorized Persons) and accepted by the Credit Union in compliance with the security procedures set forth, whether or not you actually authorized such instructions. If the security procedures include a PIN or User ID number, ("password"), you agree that you and your Authorized Persons will keep the passwords confidential. If you believe or have reason to believe that any security procedure or password has or may have become known by unauthorized persons you will immediately notify the Credit Union by telephone and agree to confirm that oral notification in writing to the Credit Union within 24 hours. The Credit Union shall have no liability for losses caused by unauthorized access to any confidential information and you will indemnify and hold the Credit Union harmless from any loss, costs, suits, damages, liabilities and expenses resulting from your failure to keep the password confidential or otherwise adequately manage the use of the password. You will be liable for any instructions and other communications initiated before the Credit Union has received such notice and has had a reasonable opportunity to act on such notice. The Credit Union reserves the right to change any or all of the security procedures at any time by giving written notice to you.

In addition to the security measures described above, there may be other security notices posted on the website regarding security issues. It is your responsibility to read all applicable notices. One of the main security features guarding the use of the CU at Home Online Banking system is the unique combination of your User ID and PIN. It is important that you keep your PIN secret. We will not be liable for any losses resulting from your permitting other persons to use your User ID and PIN to access the system.

If you have more questions about our security systems for conducting transactions safely over the Internet, contact us at 970-247-5204.

Limitation of Liability and Disclaimer of Warranties

The Credit Union's liability for damages arising out of the Agreement will not exceed the aggregate fees paid by you to the Credit Union as stated in the Agreement. In no event shall either party have any liability to the other party or any third party for any lost profits or costs of procurement of substitute goods or services or for any indirect, special or consequential damage resulting from or arising out of the Agreement. Notwithstanding the foregoing, in no event shall the Credit Union be liable for any losses or damages resulting from (a) services and/or data provided by your data processing vendor(s); (b) software defects in third party software not developed by or licensed from the Credit Union; (c) a virus, the prevention of which was beyond the reasonable control of the Credit Union; or (d) a third party gaining access to the Credit Union's system and obtaining or altering dates. You understand and agree that except as expressly set forth in this Agreement, the Credit Union does not make and hereby disclaims any warranties and that the warranties in the Agreement are in lieu of all other warranties, express or implied, including any warranties of merchantability, or fitness for a particular purpose.

Registration Process

The Online Banking service requires the completion of an application that will identify your Southwest Colorado Federal Credit Union accounts and all the information that we will need to enable the service. Southwest Colorado Federal Credit Union will verify the information you submit for accuracy and authorization.

Log-On Security

Security is very important to the Online Banking system. Upon completion of your application, you will be assigned a unique "User ID" and "PIN" that will be used to gain access to the system. Prior to activation, we will verify your identity and account authorization.

Because your PIN is used to access your accounts, you should treat it as you would any other sensitive personal data. You should carefully select a PIN that is hard to guess. Keep your PIN safe. Memorize your PIN and never tell it to anyone. You may consider changing your PIN occasionally, such as every 90 days.

Authority

You warrant to the Credit Union that you have full and complete authority to enter into this Agreement. The Credit Union may accept oral or written instructions from any person, and any person may utilize the services that (1) has been provided a PIN or user ID by you, or (2) provides a valid PIN or user ID number (collectively "Authorized Person"). The Credit Union may require further written confirmation or instructions given orally or by facsimile. Any person authorized to sign on an account is also deemed to be authorized to conduct any transaction related to that account. The Credit Union, may, at its discretion, rely on any written notice containing signatures of an Authorized Person if the Credit Union believes, in good faith, that the signature is genuine. Each Authorized Person may act alone. If the Credit Union receives conflicting instructions from Authorized Persons, the Credit Union may (a) honor one or more of the instructions received, (b) refuse to honor any of the instruction until the Credit Union receives instructions to which all Authorized Person agree, or (c) submit to a court all funds which are subject to the conflicting instructions.

Fees for the Online Banking Service

The Online Banking service is available to our existing personal account members at no monthly charge for all the account information services and transfers. The Credit Union may modify its fee schedule at any time upon 30 days prior written notice to you. You are also responsible for any telephone charges which you may incur by accessing your accounts utilizing the Services and other applicable fees.

Cancellation of Online Banking

Your Online Banking may be canceled at any time by Southwest Colorado Federal Credit Union in whole or part without prior notice due to insufficient funds in one of your accounts or other circumstances that may create an unanticipated liability to us. You will remain responsible for all transactions approved by the system prior to the cancellation, and for any other fees associated with the service. After cancellation, service may be reinstated once sufficient funds are available in your accounts to cover any fees and other pending transfers or debits. In order to reinstate services, you must call the Credit Union at 970-247-5204.

Balance Inquiries and Transfers Limitations

You may use Online Banking to check the balance of your accounts and to transfer funds among your accounts. According to Federal regulations, you may not make more than six (6) pre-authorized or automatic transfers from your Money Market Deposit Account or (4) from your Share Account during a given monthly statement period. There are no limits to the number of transfers from your Share Draft Accounts.

Balances shown in your accounts may include deposits subject to verification by us. The balance may also differ from your records due to deposits in progress, outstanding checks or other withdrawals, payments, holds or charges. A transfer request may not result in immediate availability because of the time required to process the request. If you have further questions, contact us at 970-247-5204.

The balances are updated periodically and the system will display the most current "as of" date on the "Current

Transaction" page. There may be situations that cause a delay in an update of your balances. The system will use the most current balance available at the time of a transaction to base our approval.

Our Liability for Incomplete Transactions

It is our responsibility to process all transfers properly initiated through the Online Banking system in accordance with this Agreement. We will be liable for damages, as defined in this Agreement, where the system caused a payment/transfer delay or failed to process a payment to be received by the payee. We will not be liable if any of the following occurs:

1. Sufficient funds are not showing on the system's available balance in your account that is to pay for the payment or transfer at the time of transaction.
2. Funds are subject to legal process or other encumbrances restricting the payment or transfer.
3. You had knowledge of or questions about the possible malfunction of the system when you initiated the transaction.
4. Natural disasters (fire, flood, tornado, etc.) or other uncontrollable circumstances (mail delays, power failures, etc.) prevent proper completion and delivery of transactions.
5. Other applicable laws and/or regulations exempt us from liability.
6. Your account has been closed or the funds frozen.
7. You, or anyone you permit to utilize the Service, commits any fraud or violates any law or regulation.
8. You have not properly followed the instructions for using the Service.

Miscellaneous Terms and Conditions

- A. Amendments. We reserve the right to change the charges, fees and other terms described in the Agreement. When changes are made to any fees, charges, or other material terms, we will update this Agreement, and mail a notice to you at the address shown on our records. This notice will be sent at least thirty (30) days in advance of the change.
- B. Applicable Rules, Laws and Regulations. This Agreement shall be governed by, and you agree to comply with, the laws and regulations of the State of Colorado and applicable Federal laws and regulations. In addition, you agree to be bound by and will comply with the terms of the Agreement, requirements of your account, the Credit Union's rules and regulations and the rules and regulations of any funds transfer or wire system to which the Credit Union belongs. Any dispute between Credit Union and you must be brought in the relevant court in the Colorado County where the Credit Union is located.
- C. Questions or Error Correction on Online Banking Transactions. In case of errors or questions about your electronic transfers, call us at (970) 247-5204 or write to us at Southwest Colorado Federal Credit Union, 15 Bodo Drive, Durango, CO 81303 as soon as you can if your statement is wrong or if you need more information about a transfer listed on your statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error occurred. When you notify us:
 1. Tell us your name and account number.
 2. Describe the error or the transfer you are unsure about, and explain as clearly as possible why you believe it is an error.
 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 tell you the results of our investigation within 10 business days after we hear from you and will correct an 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 use of the money during the time it takes us to complete our investigation. If we decide there was no error, we will send you a written explanation within 3 business days after we finish our investigation and reverse the credit to your account. You may ask for copies of the documents that we used in our investigation.

- D. **Unauthorized Transactions in Your Account.** Notify us at once if you believe your PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission. Call us at (970)247-5204 or fax us at (970)247-8784 or write to us at Southwest Colorado Federal Credit Union, 15 Bodo Drive, Durango, CO 81303. You may also contact us through our website.

If your PIN has been compromised and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50 if someone other than you or an Authorized Person used your PIN to access a deposit account. If you do NOT tell us within 2 business days after you learn of the loss or theft, and we could have stopped someone from taking money without your permission had you told us, you could lose all the money in your account (plus your maximum overdraft line of credit).

- E. **Right to Refuse Service.** The Credit Union may refuse Online Banking Services to anyone at any time.

Disclosure of Account Information to Third Parties

Information to third parties about your account(s) or the transaction(s) you make will only be disclosed if at least one of the following applies:

1. It is necessary to complete a transaction.
2. To verify the existence and condition of your account to a third party such as a credit bureau or merchant.
3. To comply with a governmental agency or court order.
4. If permission is given to us by you, which we may require to be in writing.
5. To collect information for internal use, the use of our service providers, and our servicing agents and contractors concerning our electronic funds transfer service.
6. It involves a claim by or against us concerning a deposit to or withdrawal from your account.
7. Where otherwise required or permitted under state or federal laws and/or regulations.

No Signature Requirements

When any payment or other on-line service generates items to be charged to your account, you agree that we may debit the designated account, or the account on which the item is drawn, without requiring your signature on the item and without any notice to you.

Virus Protection

Southwest Colorado Federal Credit Union is not responsible for any electronic virus or viruses that you may encounter. We encourage our members to routinely scan their PC and diskettes using a reliable virus product to detect and remove any viruses. Undetected or unrepaired viruses may corrupt and destroy your programs, files and even your hardware. Additionally, you may unintentionally transmit the virus to other computers.

It is also the full responsibility of the member to keep all anti-virus, security programs, and operating systems updated on a regular basis

Termination

You may terminate the use of Online Banking by contacting Southwest Colorado Federal Credit Union in writing by mail or personal delivery to Southwest Colorado Federal Credit Union. If your account is closed or restricted for any reason, Online Banking accessibility will automatically terminate.

Assignment

This agreement may not be assigned to any other party by you. We may assign or delegate, in part or whole, to any third party.

