External Loan Payment Service Agreement

I. Introduction

This Agreement and Disclosure Statement (the “Agreement”) for External Loan Payment Services (the “Service”) sets forth the terms and conditions for use of our external loan payment services with State Credit Union (hereafter referred to as “Credit Union”, “we”, “us” or “our”) as described herein. The customer (referred to as “you” or “your”) should read this Agreement carefully and keep an electronic or print a hard copy of it for your records. By using any electronic symbols, or processes we provide in order to establish your acceptance of this Agreement and/or other terms and conditions related to the Agreement, you acknowledge and agree that you are using an electronic signature to signify your intent to be bound, and you agree to do business with us and exchange information electronically, as provided in this Agreement and as we may direct. Each time you use any Service described in this Agreement, or allow any other person to use any Service in relation to any of your accounts or financial products or services, you are confirming your acceptance of the terms of this Agreement (including, but not limited to, the terms of that particular Service) that are in effect at that time.

II. Description of Services

With External Loan Payments, you may draft a checking account from another financial institution to pay a Credit Union Loan. You authorize the Credit Union, to electronically debit your designated account (and if necessary, to electronically credit such account to correct erroneous debits) at the financial institution in order to make a payment on your loan as specified. If your account with us has terminated for any reason, you will have no further right or access to use the Service. Any customer who is authorized to view loan accounts using the Online Banking system is eligible for this service.

III. Transaction Limits and Payment Timeframes

We have the right, at any time, to set dollar limits on transactional, daily, and monthly transactions. If you attempt to initiate a deposit in excess of these limits, the system will not allow you the ability to continue.

If the payment date for the transfer falls on a weekend or a holiday, the payment portion of the transaction will begin processing the next business day. Any request received after 2:00 PM ET will be processed on the next business day. If the request is initiated before cut-off time, most payment transactions will process in SCU's transaction system and post the same business day. Visa payments may take up to one business day to process after posting in the transactional system. Visa payments of $2,500 or more may take up to four days to process. However, SCU reserves the right to delay the posting of any item for any reason outside of this standard timeframe, most notably if a transaction is suspected to be fraudulent or unauthorized.

Timeframes to debit the other financial institution can vary depending on processing times outside of SCU’s control. SCU will typically present the debit to the other financial institution within two business days. Most debits will be processed within four business days of the initial request, however, please allow for more time to process the entire request. Once presented to the other institution, SCU holds no liability regarding debiting timeframes.

IV. Principal and Regular Payments

A regular payment that satisfies the minimum amount due will advance the due date one month. SCU allows a due date to be advanced a maximum of four months from the current month’s due date. If your payment has taken your loan past this four-month threshold, the due date may be adjusted. If you have made a regular payment totaling more than one minimum payment and want to adjust the due date, please contact us at 803-343-0300, info@scscu.com, or visit your local branch.

Principle payments apply only to the principle balance on a loan and do not adjust the due date. Exceptions to this rule are credit cards. Please see the credit card terms and conditions for full details.
V. Recurring Items

When you request a recurring item, the initial amount set will remain a static amount. The Service will not read a minimum payment in subsequent months.

It is your responsibility to cancel recurring payments when they are no longer desired, or a loan has been paid in full. SCU is under no obligation to place a stop on these payments.

VI. Eligible Items

In order to initiate a loan payment using the External Loan Payment service, you must have an amount due. You are able to submit payments to the mentioned Credit Union Loans; Installment, Mortgage, Line of Credit, Consumer, Credit Card, and Home Equity.

VII. Requirements

The External Loan Payment service utilizes either Merchant Processing (debit card), or the Automated Clearing House (ACH) using applicable ACH Rules, State Credit Union debits an account at your other financial institution and credits your State Credit Union loan account. An ACH transaction must have a valid routing number and full account number when submitting the payment. Only debit cards are eligible for Merchant Processing. Credit cards are ineligible for this service and by accepting these terms and conditions, you agree to not use a credit card to pay your loan. We offer the External Loan Payment service as an added convenience to you, and we have the right to terminate this agreement with no prior written notice. SCU reserves the right to block individual loans from the Service. We also reserve the right to block individual, external accounts from being utilized in the Service. We may terminate this agreement, block loans, or accounts based on but not limited to; NSF items, breach of Agreement or other applicable Terms and Conditions, unauthorized use, past due loan status, and receiving returned items via the Federal Reserve Bank.

VIII. Receipt of Deposit

Any confirmation from us that we have received the file does not mean that the file contains no errors. We are not responsible for any files that we do not receive. Following receipt, we will process the deposit by processing the file. State Credit Union reserves the right, at our sole and absolute discretion, to reject any file for External Loan Payments into your loan account.

IX. Returned Payments

Any credit to your loan account is provisional. If the original payment is dishonored, rejected or otherwise returned by the receiving bank for payment or are rejected or returned by any commitment for the collecting bank that is obtaining the draft payment, for any reason, including, but not limited to, issues relating to debiting funds, you agree that the provisional credit to the loan account will be reversed. You will reimburse us for all loss, cost, or expense caused by or relating to the processing of the returned item, to include returned fees stated in the Fee Schedule and possible late fees. It is then your responsibility to re-initiate any further payment.

X. Your Warranties

You make the following warranties and representations with respect to each payment.

- Each payment is a true and accurate account.
• The amount is accurate.
• You are an authorized signer on the account you have provided to us.

With respect to each payment, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule.

XI. **Compliance with Law**

You will use this system for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit acceptable items for payments and in accordance with applicable laws, rules and regulations.

Your authorization will remain in effect unless or until notification of revocation is received. Notice must be given to State Credit Union at least three (3) days before the effective date of the payment. Stop payments can also be made by notifying the financial institution where funds will be debited.

XII. **External Loan Payment Unavailability**

External Loan Payment may be unavailable temporarily due to system maintenance or technical difficulties, including those of the Internet service provider, cellular service provider and Internet software. In the event that External Loan Payment is unavailable, you may pay a State Credit Union Loan at our branches, (800) 868-8740, or through SCU Online if funds are currently available in your account.

XIII. **Your Responsibility**

You are solely responsible for the completeness, accuracy, validity and integrity of each External Loan Payment initiated. You are solely responsible if you, intentionally or unintentionally, submit fraudulent or incorrect transfer information to us or if External Loan Payment is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper usage to us for processing.

XIV. **Electronic Communications**

The External Loan Payment service is an electronic, Internet based-service. Therefore, you understand and agree that this Agreement will be entered into electronically and that the following categories of information (“Communications”) may be provided to you by electronic means:

- This Agreement and any amendments, modifications or supplements to it.
- Your records of loan payment transfers through the service, including without limitation confirmations of individual transactions
- Any initial, periodic or other disclosures or notices provided in connection with the Service, including without limitation those required by federal or state law.
- Any customer service communications, including without limitation communications with respect to claims of error or unauthorized use of the Service.
- Any other communication related to the Service.

Although State Credit Union reserves the right to provide Communications in paper format at any time, you agree that we are under no obligation to do so. All Communications in either electronic or paper format will be considered to be "in writing." You should print a paper copy of this Agreement and any electronic Communication that is important to you and retain the copy for your records. If you do not agree to receive this Agreement or the Communications electronically, you may not use the Service.
Communications may be posted on the pages of the Service website or other website disclosed to you and/or delivered to the e-mail address you provide. Any electronic Communication sent by e-mail will be deemed to have been received by you when we send it to you, whether or not you received the e-mail. If the Communication is posted on the Service, then it will be deemed to have been received by you no later than five (5) business days after we post the Communication on the pages of the Service, whether or not you retrieve the Communication. An electronic Communication by e-mail is considered to be sent at the time that it is directed by State Credit Union's e-mail server to the appropriate e-mail address. An electronic Communication made by posting to the pages of the Service is considered to be sent at the time it is publicly available. You agree that these are reasonable procedures for sending and receiving electronic Communications.

XV. Accountholder’s Indemnification Obligation

You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys’ fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

You understand and agree that you are required to indemnify our technology partners, including but not limited to Digital Insight and hold harmless Digital Insight, its affiliates, officers, employees and agents, officers, from and against any third party claims, suits, proceedings, actions or demands, including to claims of another financial institution, business entity or governmental authority, and all losses, liabilities, damages, fines, penalties, costs and expenses, including court costs and reasonable attorney fees and expenses, arising from such claims, to the extent such claim is related to State Credit Union or End User’s use of the Services, Digital Insight Applications, unless such claim directly results from an action or omission made by Digital Insight in bad faith. You understand and agree that this paragraph shall survive the termination of this Agreement.

DISCLAIMER OF WARRANTIES. YOU AGREE THAT YOUR USE OF THE EXTERNAL LOAN PAYMENT SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY OF THE EXTERNAL LOAN PAYMENT SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE EXTERNAL LOAN PAYMENT SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE.

LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THE EXTERNAL LOAN PAYMENT SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.

XVI. Financial Information

You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your history from time to time.
You must inform us immediately of such items as, but not limited to; your online banking credentials may have been compromised, any unauthorized or fraudulent items have posted to your loan accounts. To contact us for the above inquires, contact customer service at:

State Credit Union  
PO Box 726  
Columbia, SC 29201  
Phone: (800) 868-8740  
Email: info@scscu.com  

Rev. 5/16/2022