

# **Farmers State Bank**

## **Bill Payment Agreement & Disclosures**

Welcome to Online Banking Bill Payment Service. Use of the Bill Payment Service indicates acceptance of terms and conditions set forth in the Online Banking Agreement & Disclosures and the terms and conditions set forth in this Bill Payment Agreement & Disclosures (“Agreement”) as each may be jointly and/or independently amended from time to time. This Agreement is provided in electronic form, and by using the Bill Payment Service you agree to accept the Agreement in that form. Please read the Agreement carefully because it is our legal agreement with you that governs your use of our Bill Payment Service.

### **1. INTRODUCTION**

Through online banking you may subscribe to our optional Bill Payment Service. The Bill Payment Service allows you to schedule payments through the Internet for current, future, and recurring bills from your checking account with us.

You may use our Bill Payment Service to direct us to make payments from your designated checking account to the Payees you choose in accordance with this Agreement. The terms and conditions of this Agreement are in addition to the agreements, disclosures and other documents in effect from time to time governing your deposit account with us, including the Deposit Account Agreement & Disclosures (“Deposit Agreement”), and the Online Banking Agreement & Disclosures.

“Bill Payment Service” and/or “Service” means the bill payment service that Farmers State Bank of Waupaca makes available over the Internet with Paytraxx and is also a Service under the Agreement. “Bank”, “we”, “our”, or “us” means Farmers State Bank of Waupaca. “Account” means the deposit account you designate to process Bill Payment transactions through. “Payee” or “Merchant” means anyone you designate and we accept as a payee. “Payment” means your remittance to a payee.

### **2. REQUIREMENTS & RESTRICTIONS**

To subscribe to Bill Payment, you must have a checking account in good standing with us in accordance with our criteria. If you have more than one checking account with us, you will need to select which checking account you want to use as you pay each bill on the system. If you have a Money Market Deposit Account (MMDA) set up with us, please understand that the normal check writing criteria for that account will need to be followed on a monthly basis. If you continue to go over your limit we will change your MMDA to a NOW Account Checking.

For personal accounts, the Bill Pay Service will be free if you sign up for email statements (as a PDF or through EZ Online Banking) of your Farmers State Bank accounts. If you choose to not receive your accounts via email statement you can still sign up for the service; however, there will be a \$5.00 fee per month.

Sole proprietors and organizations can use the Bill Pay Service for \$5.00 per month. Partnerships, LLC’s and corporations will need to be approved by bank personnel. This will be reviewed on a case by case basis. If businesses or organizations give their online banking user code or password to an accountant or someone other than the person filling out the application, the business is liable for all payments made through the Bill Pay System. By allowing someone else access to your

Online Banking information you are also giving them access to the Bill Pay System. The Farmers State Bank is not liable for any checks written through the system when you have given your user code and password out to anyone that did not fill out the application.

The Bill Pay System is restricted on personal accounts to pay no amount more than \$2,500.00 per check or the balance in your checking account on the day you authorize payment. **The system currently cannot look at your Personal Reserve Account, Savings Account or any line of credit you have set up to pull money into your checking account if you do not have enough funds in your checking account for that payment.** Sole proprietors and organizations can make payments up to \$5,000.00 per check or the balance in their checking account on the day the payment is authorized.

**Requirements for dual signatures on checks do not apply to the Bill Payment Service.**

### 3. **PAYEE DESIGNATION**

You can use the Bill Payment Service to make payments to almost any Payee or Merchant you want, including individuals, local service providers, utilities, credit cards, or to make mortgage or loan payments, or charitable donations, etc.

The Bill Payment Service cannot be used to make payments for the following:

- Tax payments to the Internal Revenue Service or any state, local or other government agency;
- Court-ordered payments such as child support or alimony; and
- Payees located outside of the United States.

By furnishing us with the names of your Payees (Merchants and/or individuals) and their addresses, you give us authorization to follow the Payment instructions, which you provide to us. When we receive a Payment instruction for the current date or a future date, we will remit the funds to the Payee on your behalf from the funds in your designated Account; on the day you have instructed them to be sent (“Payment Date”). We are not obligated to pay funds from your Account if the available Account balance is insufficient to cover the Payment. Funds for ALL bill payments, whether paid electronically or by check, will be withdrawn from your Account no later than three (3) business days following the Payment Date.

We are not responsible if a Payment cannot be made due to incomplete, incorrect, or outdated information provided by you regarding a Merchant, or if you attempt to pay a Merchant that is not on your Merchant Accounts list.

### 4. **MAKING / SCHEDULING PAYMENTS**

You may use the Bill Payment Service to authorize recurring payments or non-recurring payments. Recurring payments are payments that you schedule in advance to recur at substantially regular intervals in the same amount to the same Payee. Non-recurring Payments are a single, one-time Payment to a specified Payee.

Payments are processed Monday through Friday at 1PM Central Time, except on Federal holidays. If you attempt to schedule a Payment on a weekend or Federal holiday, you will be prompted to select a different date, or the Payment will be processed on the preceding business day if it is an auto recurring Payment. The Payment method may be electronic or by check. **The first Payment to a Merchant must be scheduled at least five (5) business days prior to the due date for each**

**Payment (recurring or variable) to allow adequate time for the Payment to reach the Payee.** The due date is the date the Merchant has designated for payment, and should not be adjusted for any grace period or late date accommodations the Merchant may provide. **Once the Service has been notified whether a Merchant accepts electronic payments or requires a paper check, after making the first Payment to that Merchant, the Service will display a message indicating that the Merchant requires either a two (2) day lead time for an electronic payment, or a five (5) day lead time if a paper check sent by regular mail is required.**

Any Payments made with the Bill Payment Service require sufficient time for your Payee to credit your Account with them properly. To avoid incurring a finance charge or other charge, you must schedule a Payment sufficiently in advance of the due date of your Payment. If you fail to schedule your Payment according to the recommended timeframe, we will not be responsible for the late fees or finance charges. We will not be liable if any third party, through whom any Payment is made, fails to properly transmit the Payment to the intended Payee.

You agree to have available collected funds on deposit in the Account you designate in amounts sufficient to pay for all Payments requested, as well as any other payment obligations you have to us. We reserve the right, without liability, to reject or reverse a Payment if you fail to comply with this requirement or any other terms of this Agreement. If you do not have sufficient funds in your designated Account and we have not exercised our right to reverse or reject a Payment, you agree to pay for such payment obligations on demand. You further agree that we, at our option, may charge any of your accounts with us to cover such payment obligations.

## **5. CHANGE OR DELETE PAYMENTS / STOP PAYMENTS**

Any Payment can be changed or cancelled; provided you access the Service prior to 1PM Central Time on the business day the Payment is going to be processed.

All stop payments should be done through Paytraxx Bill Pay Customer Support. If a check is created with the transaction you can stop payment up until the Payment has cleared. If it is an electronic payment you cannot do a stop payment.

We shall not be liable to you due to a stop payment request if your order to do so is not presented prior to the time the check has cleared. Once the Payment has cleared, you can no longer stop payment.

## **6. PAYMENT GUARANTEE**

If all Payment guidelines were followed and a Payment is still posted late to your Account with a Merchant resulting in a late fee, at Paytraxx's discretion, Paytraxx will make an attempt to have the Merchant waive the late fees. If the Merchant is unwilling to waive late fees, up to \$50 in late fees assessed by the Merchant will be covered by Paytraxx. However, do to factors beyond Paytraxx's control such as the U.S. Mail and payment processing at the Merchant, it is not guaranteed that a Payment will be posted on the fifth business day (or second, if issued electronically). It is imperative to note that Merchant grace periods are not taken into consideration, and if adequate lead time prior to the payment due date was not allowed by you in scheduling the Payment, *this Guarantee is void.*

**NOTE:** If the Merchant is not willing to discuss late fees or status of the account with Paytraxx, you will be notified and advised that the Merchant requires your authorization before further discussions can occur between Paytraxx and the Merchant.

## **7. LIABILITY**

You are solely responsible for controlling the safekeeping of and access to your Bill Payment information. You are liable for all transactions you make, or that you authorize another person to make, even if that person exceeds his or her authority. If you want to terminate another person's authority, you must change your Online Banking logon password. In the event that you have experienced unauthorized access to our Bill Payment, you must notify us of the unauthorized access, identify any Payments made or potential Payments scheduled, and change your logon information.

You will be responsible for any Payment request you make that contains an error or is a duplicate of another Payment. We are not responsible for a Payment that is not made if you did not properly follow the instructions for making the Payment. We are not liable for any failure to make a Payment if you fail to promptly notify us after you learn that you have not received credit from a Payee for a Payment. We are not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be our agent.

In any event, we will not be liable for any special, indirect, consequential, incidental, or punitive losses, damages, or expenses in connection with this Agreement or the Service, even if we have knowledge of the possibility of them. We are not liable for any act, failure to act or delay in acting if it is caused, in whole or in part, by any cause beyond our reasonable control.

## **8. INACTIVITY**

If you do not access or use the Bill Payment Service for a period of more than ninety (90) days, we may in our sole discretion, terminate your access to and use of the Bill Payment Service without notice to you.

## **8. TERMINATION**

We reserve the right to terminate your use of Bill Payment at any time without prior notice to you.

If, for any reason, you should want to terminate your use of our Bill Payment Service, we recommend that you cancel all future Payments and transfers at the same time you terminate the Service, either by deleting the Payments yourself or by contacting the Bank as stipulated below. We will delete all outstanding payments (both one-time and recurring), as part of your Service termination.

We are not responsible for any fixed Payment made before we have a reasonable opportunity to act on your termination notice. You remain obligated for any and all Payments made by us on your behalf through the Bill Payment Service.

Should you opt to discontinue any of the Accounts or Services to which this Agreement pertains, written notice must be provided to us immediately at the following address: Farmers State Bank of Waupaca, Attn: Bookkeeping Department, P.O. Box 289, Waupaca, WI 54981.

## **9. AGREEMENT ASSIGNMENT AND AMENDMENT**

We may assign this Agreement to any affiliate, parent or other company. We may also assign or delegate certain of its rights and responsibilities under this Agreement to such third parties as we may elect upon notice to you whereupon we shall be released from any and all further liability or responsibility related thereto.

We reserve the right to amend or cancel any of the provisions of this Agreement, including changes to any fees, costs, or assessments. We may amend or cancel any provision or charge by disclosing the change electronically, and, at our option, by sending you notification in addition thereto. We will provide notice of thirty (30) days of any changes (or such lesser period as may be allowed by applicable law) unless an immediate change is necessary to maintain the security of the system. You may choose to accept or decline amendments, cancellations or changes by continuing or discontinuing the accounts or services to which these changes relate, at your option. We also reserve the option, in our business judgment, to waive, reduce or reverse charges or fees in individual situations.

If you have any questions or payment discrepancies, please contact our Bookkeeping Department at 715-258-1410.