



524 South Main St Middletown, CT 06457-4215

ACH Origination Terms & Conditions

In these Terms and Conditions ("the Terms") words "you" and "your" mean the member(s) of Ellafi Federal Credit Union. The words "us", "we", "our" and "EFCU" mean Ellafi Federal Credit Union. The "Financial Institution" means a 3rd party financial institution named on the ACH Origination Authorization Agreement (the "Authorization" or "Agreement").

1. Application of the Agreement

The transfers covered by the signed Agreement are direct debit of funds, using the Automated Clearing House (ACH), from your account at the Financial Institution that allows direct debit transactions. By agreeing to the Terms, you are authorizing EFCU to debit your account at the Financial Institution for recurring debits to make payment on a particular loan. These recurring debits shall continue to be processed until such time as you revoke your authorization as referenced below or the loan is paid in full. You understand that the agreements and rules and regulations applicable to all of your accounts and or loans with us remain in effect and continue to be applicable.

2. Indemnification

You acknowledge that all of the information you provided on the ACH Origination Authorization Agreement created by you and delivered to EFCU is true, complete and correct. You agree to indemnify and hold EFCU, its employees, agents, and/or assigns harmless from and against any and all causes of action, claims, liabilities or costs (including reasonable attorneys' fees) that arise against EFCU, its agents, employees and/or assigns by reason of having relied on the information provided by you and/or related to EFCU providing the services pursuant to the terms of the Agreement.

3. Beginning Date

You authorize us to begin processing recurring debits from your account at the Financial Institution beginning the date indicated on the Agreement or the 1st loan due date after we receive a completed Agreement, whichever is later. Such date will be included on the confirmation letter. In any case, we must receive a completed Agreement 15 business days prior to initiating ACH debit entries.

4. Limitations on Withdrawals

You may initiate ACH debits under the Agreement subject to the following conditions: (1) you have sufficient funds in your account at the Financial Institution; (2) these debits comply with the Agreement you have with the Financial Institution, who may have additional and/or different transaction limits beyond the control of EFCU.

5. Provisional Credits

Credit given by us to you with respect to an ACH debit entry is provisional until we receive final settlement through a Federal Reserve Bank. If we do not receive such final settlement you agree that we are entitled to a refund for the amount credited to your EFCU account. All loan payments will be provisionally credited subject to subsequent verification and collection.

6. Returned or Rejected Debits

We may, but are under no obligation to, resubmit the debit and attempt to collect the funds from the

Financial Institution at any time after a debit transaction is rejected or returned. If by following these procedures, we are unable to obtain reimbursement, you agree to pay us the monies you owe us including any applicable late fees associated with the loan.

7. Debit Amounts

All debits will be for the amount shown on the ACH Origination Authorization Agreement. You also authorize us to process any reversing debits and credits to correct any erroneous transactions. If the debit amount is greater than what is necessary to bring the loan balance to zero, then the amount of funds in excess of what is necessary to bring the loan to a zero balance will be deposited to your share account.

8. Monthly Loan Payment Amount

This amount is the scheduled monthly payment disclosed in your original loan disclosure for closed end fixed rate loans. For variable rate loans, this is the loan payment disclosed to you on your rate change notice. For line of credit loans, the monthly payment due is the higher of the minimum payment or the calculated payment based on your loan disclosure.

9. Variable Payment

If a debit amount will vary in amount from the immediately preceding debit amount, we will notify you at least 10 days before the new debit, when it will be made and how much it will be.

10. Your Right to Stop Payment of Pre-authorized Debits and How to Do So

You may revoke the Authorization by calling us at (860) 346-6614 or write us at ATTN: Member Services Department, 524 South Main Street, Middletown, Connecticut 06457, in time for us to receive your request 15 business days or more before the payment is scheduled to be. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

11. Skip-A-Payment or Extension

If you elect to use the Skip-A-Payment option offered by EFCU you give authorization to EFCU to suspend its responsibilities under this Agreement for any month in which you have elected to have a Skip-A-Payment processed.

12. Limitation Liability for Failure to Complete Transaction

You agree that we will not be liable for a failure to complete a transaction if, among others things; (a) through no fault of ours, your account does not contain enough money (or sufficient collected funds) to complete the transaction; (b) if through no fault of ours, the other parties to the transaction fail to execute the transaction; (c) your account is frozen because of a court order or similar reason; (d) your account information has been reported lost or stolen and the account has been blocked; (e) circumstances beyond our control prevent the transaction, despite reasonable precautions we have

13. Business Day Disclosure

Our business days are Monday through Friday, excluding holidays. When the payment date (the date on which the debit from the Financial Institution is credited to your EFCU loan payment) falls on a weekend or Federal holiday, the payment date will change to the next business day. If the date chosen falls on the 29th, 30th, or 31st and there are not that many days in the month, the payment date will be the last day of the month unless that falls on a weekend or Federal holiday, then it will be the next business day. The Financial Institution's business days may vary.

14. Fees and Charges

There are no fees from EFCU to initiate ACH Transaction fees may be charged by the Financial Institution. Late fees or other charges may apply for any loan payments not made on time. We reserve the right to institute other charges or fees in the future.

15. Termination or Amendment

We may, at any time, terminate your right to make direct payments, amend the terms of the Agreement or cancel the Agreement. Termination of the Agreement by either you or us does not affect your obligation(s) under any loan agreements. If there is a conflict between the Agreement and something said by one of our employees, you agree that the Agreement controls. Additionally, the last payment for balloon loan types will not be

16. Applicable Laws

Except as governed by federal law, the Agreement shall be construed and governed in accordance with laws of the State of Connecticut.

17. Acknowledgment

You acknowledge reading a copy of the You may print a copy of the Terms for your records or you can receive a printed copy by calling us at (860) 346-6614 or write us at 524 South Main Street, Middletown, Connecticut 06457. Your use of this electronic service constitutes your acceptance of the terms and conditions of this Agreement.