

Dear Valued Member,

Welcome to the world of Virtual Branch, the easiest, safest and most convenient way to pay your bills, transfer funds, and maintain your records. **To use the service you will need your unique user ID, which is your member number, and a temporary security code, which is VBUSER99. The first time you use the service, you will be asked to create your own security code.** The security code must be 8 characters with at least two alphabetic characters and two numbers. Special characters are not allowed. We strongly recommend you change both your user id and security code to ensure privacy. (8 digits is required) *Protect this code carefully, and change it often.* Once you have changed your security code, UARK also strongly suggests that you change your user ID under the "Options" field in Virtual Branch.

With our **BankIT** Home Banking Service, offered through Virtual Branch, you can get the balance of any of the accounts you listed on your application (savings, checking, certificate accounts, loans, Christmas clubs, etc.). Your balance information is delivered with up-to-the-minute accuracy. In addition, you can check other important information like your next payment date on loans and dividend information on investments. And every account can display current transaction histories at the touch of a button, so you can keep your checkbook register up-to-date and balanced.

You may also transfer funds among all of your accounts. You can move money from one account to another, transfer a fixed amount on a scheduled basis automatically, or enter an amount for immediate or future transfer. Make loan payments when they are due or before you go out of town, by simply transferring the funds to the loan. Every transfer is assigned its own unique confirmation number to make it easy to verify the transaction.

As an added benefit of Virtual Branch, you get an individual message mailbox in which to send private messages to our Member Service department and receive a reply. Use it to request service, ask a question, or explain a problem. **MailIT** is available 24 hours a day for sending and receiving messages. Our Member Service hours will be listed later in this instruction packet.

PayIT is a bill payment service offering an alternative to the traditional method of paying bills. Instead of writing a check and mailing the payment to the merchant, you can handle all of your payments automatically through **PayIT**, by scheduling payments to be made on certain dates. In addition, **PayIT** gives you a confirmation number for every payment and keeps track of your last 18 months of payment history. You must meet certain credit criteria to obtain this service.

Thank you for participating in this exciting new way to bank. I hope you will find it not only useful and convenient, but also a real contribution to your quality of life.

UARK Management

To use the Internet Service . . .

1. Log into the Internet using a connection from your personal Internet Service Provider and your browser software.
2. Once on the Internet, go to the site www.uarkfcu.com. Click on Web Services and then Virtual Branch. This site contains general information about security, using the service, and a Frequently Asked Questions section.
3. Enter your unique User ID and Security Code on the logon screen. As mentioned in the preceding Welcome letter, your User ID is your member number and your temporary Security Code is VBUSER99. **Note:** You will be asked to change your Security Code to a private one the first time you log into the service (it must be 8 characters with at least two alphabetic characters and two numbers).
4. Once logged into the service, you will be presented with a menu of services. Depending on your enrollment, functions may include:
 - **BankIT** home banking account access
 - **PayIT** bill payment services (with approved credit)
 - **MailIT** electronic messages to your institution's member service department
 - **Export** transaction history to software such as Microsoft Money or Intuit Quicken
 - **Personal Options** to customize your session
5. Use the on-line interactive Help available on any menu or page to guide you through your activities. Interactive Help provides detailed instructions on how to pay bills, send mail, and customize your Internet session.

That's all there is to it. You can rest assured your payment of message will be delivered as requested. If you need assistance, call our friendly member service staff at 1-800-499-8328 or send us a message through your **Mail It** function. Member service hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

To use the PayIT Service . . .

Using PayIT involves only three basic steps:

1. Set up your personal list of merchants.
2. Pay your bills today, in the future, or on a recurring schedule.
3. Change or cancel your payment information as necessary.

How to set up your personal merchant list:

To pay a bill with PayIT, you must add the merchants you want to pay to your personal merchant list along with their associated account numbers (you should find all the information that you will need on your bill). You can request any merchant to be paid. If a merchant is not capable of receiving an electronic payment in this form, the system will let you know immediately. Once set up and active, you can make payments right away.

PayIT does not make the following payments:

- Tax payments
- Payments for other government obligations
- Transfers between your accounts (this can be done in the Home Banking Service)

**SERVICES
TERMS AND CONDITIONS**

The following terms and conditions govern the manner in which UARK Federal Credit Union (hereafter also referred to as Us, We, Our) will provide Virtual Branch Home Banking and Bill Payment Services to you.

Our Member Service Information:

UAMS Branch Office	Mon-Fri, 8:30 a.m.-4:30 p.m.	(501)686-6419
UALR Branch Office	Mon-Fri, 8:30 a.m.-4:30 p.m.	(501)569-8261
Fayetteville, Garland Ave.	Mon-Fri, 8:00 a.m.-5:00 p.m.	(479)521-1199

The MailIT option is available 24 hours a day to send a message to Member Service.

Services:

You authorize Us to utilize Electronic Data Systems (EDS) to provide the Services to You on Our behalf.

Payment of taxes or court directed payments via Virtual Branch is prohibited.

We reserve the right to refuse to make payment and/or transfers.

Funds will arrive at your targeted merchant and/or account as close as reasonably possible to the date designated by you in your payment and/or transfer instructions. Subject to the terms and conditions of this agreement, you authorize us, and any third party acting on Our behalf, to choose the most effective method to process Your payment and/or transfer, including, without limitation, electronic, paper, or some other draft means. For each properly instructed payment to an eligible Merchant and/or transfer to a targeted account you will receive a transaction confirmation number.

The payment date indicated by you must always be a business day (as defined below). If it is not, the payment date will be deemed to be the first business day after the date indicated.

UNLESS YOU RECEIVE A CONFIRMATION NUMBER, WE SHALL NOT BE LIABLE FOR ANY FAILURE TO MAKE APAYMENT AND/OR TRANSFER, INCLUDING ANY FINANCE CHARGES OR LATE FEES INCURRED AS A RESULT. IT IS ALSO IMPORTANT THAT THE PAYMENT DATE BE ON OR BEFORE THE MERCHANT DUE DATE, NOT THE LATE DATE, AND SINCE THE TIME FOR US TO PROCESS YOUR PAYMENT VARIES ACCORDING TO THE PARTICULAR MERCHANT, YOU MUST BECOME FAMILIAR WITH THE PAYMENT PROCESSING TIME FOR EACH MERCHANT YOU DESIRE TO PAY, AND ALLOW THE APPROPRIATE NUMBER OF BUSINESS DAYS BETWEEN THE DAY YOU INPUT YOUR PAYMENT INSTURCTION AND THE PAYMENT DATE. WEEKENDS AND HOLIDAYS ARE NOT BUSINESS DAYS. SUBJECT TO THE LIMITATION DISCUSSED BELOW, IF YOU FOLLOW THE PROCEDURES DESCRIBED IN THIS AGREEMENT FOR PAYMENTS, AND YOU ARE ASSESSED A PENALTY OR LATE CHARGE, WE WILL REIMBURSE YOU FOR THAT LATE CHARGE UP TO A MAXIMUM OF FIFTY (\$50.00). IN THE EVENT THAT YOU DO NOT ADHERE TO THE OBLIGATIONS SET FORTH IN THIS AGREEMENT, OR YOU SCHEDULE A PAYMENT LESS THAN THE NUMBER OF BUSINESS DAYS BEFORE THE DUE DATE REUQUIRED FOR A PARTICULAR MERCHANT, YOU WILL BEAR FULL RESPOBSIBILITY FOR ALL PENALTIES AND LATE FEES AND WI WILL NOT BE LIABLE FOR ANY SUCH CHARGES OR FEES. THE SERVICE ASSUMES NO LIABILITY FOR THE LATE POSTING OR MISAPPLICATION OF PAYMENT ONCE FUNDS ARE RECEIVED BY THE MERCHANTS. THIS ABSENCE OF LIABILITY, HOWEVER, DOES NOT PRECLUDE SERVICE FROM WORKING TO RESOLVE THESE TYPES OF ISSUES WHEN THE ARISE. IF REQUIRED, WE WILL BE RESPONSIBLE FOR PROVIDING PROVISIONAL CREDIT IF PAYMENT DISPUTES THIS ACTION.

Limitation:

Under no circumstances will we be liable if we are unable to complete any payments and/or transfers in a timely manner via Virtual Branch because of the existence of any one or more of the following circumstances:

1. You do not obtain confirmation at the time you initiate a payment and/or transfer.
2. The designated account does not contain sufficient funds to complete the payment and/or transfer.
3. You have closed the designated account.
4. We have identified you as a credit risk and have chosen to (1) make all payments and/or transfers initiated by you via Virtual Branch utilizing paper, as opposed to electronic, method or (2) to terminate your subscription to Virtual Branch.
5. Virtual Branch, your equipment, the software, or any communications link is not working properly and you know or have been advised by us about the malfunction before you execute the transaction.
6. You have not provided us with the correct information for those merchants to whom you wish to direct payment or accounts to which you wish to make a transfer.
7. The merchant mishandles or delays handling payments sent by us.
8. Circumstances beyond our control (such as, but not limited to, fire flood, or interference from an outside source) prevent the proper execution of the transaction and we have taken reasonable precautions to avoid these circumstances.

WE ARE NOT RESPONSIBLE FOR ANY OTHER LOSS, DAMAGE OR INJURY, WHETHER CAUSED BY YOUR EQUIPMENT OR SOFTWARE, THE SERVICES, OR ANY TECHNICAL OR EDITORIAL ERRORS CONTAINED IN OR OMISSIONS FROM ANY SUER GUIDE/CROCHURE RELATED TO THE SERVICES. WE SHALL NOT BE RESPONSIBLE FOR ANY DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGE ARISING IN ANY WAY OUT OF THE INSTALLATION, USE OR MAINTENANCE OF YOUR EQUIPMENT, SOFTWARE OR THE SERVICES EXCEPT WHERE THE LAW REQUIREES A DIFFERENT STANDARD.

Payment Cancellation/Modification: Except for those transfers which are completed immediately, you may cancel or modify a payment and/or transfer up to 2:00 p.m. Eastern Time the same business day you schedule for payment and/or transfer.

Statements: All payments and/or transfers made via Virtual Branch will be listed on your monthly account statements that you receive from us.

New Services: We may, from time to time, introduce new services or enhance the existing services. We shall notify you of the existence of these new or enhanced services. By using these services when they become available, you agree to be bound by the obligations concerning these services, which will be sent to you.

Care of your Security Code and Security: You agree that you will not give your Virtual Branch security code or make it available to any other person. If you believe that your security code has been lost or stolen, or that someone has made payments and/or transfers using your security code without your permission, notify us IMMEDIATELY by phone during Member Service hours.

Your Liability for Unauthorized Payments: If you believe that your security code has been lost or stolen, notify us IMMEDIATELY as provided above in order to keep your possible losses down. If you notify Us within two (2) business days after you learn of the loss or theft, your maximum liability is \$50.00

If you do NOT notify us within two (2) business days after you learn of the loss or theft of your security code, and we can prove that we could have prevented someone from using your security code if you had told us in time, your maximum liability is \$500.00

If your statement contains payments and/or transfers that you did not make, notify us IMMEDIATELY. If you do not notify us within sixty (60) days after the statement was mailed to you, you may not get back any of the money you lost if we can 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 hospital stay or a long trip) prevented you from telling us, we may at our discretion, extend the time.

Errors and Questions: Contact us as soon as possible at any of the telephone numbers listed on the first page of this disclosure if you think that a payment and/or transfer listed on your statement is in error or if you need more information about a payment and/or transfer listed on the statement. We must hear from you no later than sixty (60) days after you received the first statement on which the problem or error appeared.

When you call or write us, you must:

1. Tell your name and user ID.
2. Describe the payment and/or transfer you are unsure about, merchant name, account information, transaction date, and transaction amount. You must explain as clearly as you can why you believe it is an error or need more information. If possible, please provide us with the confirmation number for such transactions.
3. Tell us the dollar amount of the suspected error. If you tell us orally, or by using the Virtual Branch electronic mail, we may require that you send your complaint in writing ten (10) business days. We will tell you the result of our investigation within ten (10) business days after we receive your complaint and will correct any Virtual Branch error promptly. If we need more time, we may take up to forty-five (45) days to investigate the complaint or question. If we decide to do this, we will re-credit your account within ten (10) business days after we hear from you, for the amount you think is in error in order that you may have the use of the money during the time it takes to complete our investigation. If we ask you to put your questions or complaint in writing and we do not receive it within ten (10) business days, we may not re-credit your account.

If we decide that there was no error, we will mail or transmit to you a written explanation within three (3) business days after we have completed the investigation, and within ten (10) business days of the date of such explanation, we will debit your account of the amount previously re-credited to you for use during the time we took to complete our investigation. You may ask for copies of documents used during our investigation.

Disclosure of Account Information to Third Parties: We will only disclose information to third parties about your accounts:

1. When it is necessary for completing payments and/or transfers;
2. In order to comply with a government agency or court order; or
3. If you give us your permission.

Charges: You will be charged a monthly fee for the Virtual Branch service plus any applicable sales and use taxes. You may pay all service charges from a designated account. In the event of your failure to timely

pay us; you authorize us to effect automatic payment from one of your accounts by electronic, paper or other draft means.

In the event we are unable to process a transaction; (if for example, there are insufficient funds in your designated accounts) the transaction will result in a "Failed Payment and/or Transfer". In such event, we will charge the total cost of the transaction, including any service charges, to you. In the event of repetitive failed payment and/or transfer, we reserve the right to suspend your subscription to the Virtual Branch service. This suspension may be without prior notice to you. If your subscription is suspended, transactions which were previously initiated may still continue to be processed unless canceled and confirmation of such cancellation is provided as specified below. Suspension will be handled by Member Service and all inquiries and correspondence relating thereto including request for reinstatement should be directed to Member Service. In the event your subscription is suspended, we will notify you by mail to your listed address. With respect to any failed payment and/or transfer, you agree to reimburse us within fourteen (14) days after notice is sent to you, for any funds we have already paid to one or more of your designated merchants which we were unable to recover by debit to the merchant or charge you.

If you do not pay any amount owed to us when due, you agree to pay interest on the unpaid balance at the rate of 18% per annum, or 1.5% per month (or the maximum rate allowed by applicable law, if less). In the event that your claim or debt has to be referred to a third party for collection, you agree to the extent permitted by law, to pay all cost and fees incurred in collection the outstanding balances, including reasonable attorneys' fees and court costs.

Fee Schedule: You agree to pay us the fees to be published by us from time to time.

Additional Terms and Conditions:

1. In addition to the foregoing, you agree to be bound by and comply with the requirements of the Services User Guide and applicable state and federal laws and regulations. We agree to be bound by them too.
2. We reserve the right to terminate your use of the Virtual Branch Service, in whole part, at any time without prior notice.
3. You may cancel your subscription to the Virtual Branch Service, upon thirty (30) days prior notice to Member Service. You will be responsible for all payments and/or transfer you have requested prior to termination and for all other charges, fees, and taxes incurred.

BE SURE TO CANCEL ALL OUTSTANDING PAYMENT AND/OR TRANSFER ORDERS WITHIN THE 30 DAY NOTIFICATION PERIOD. WE WILL NOT BE LIABLE FOR PAYMENTS AND/OR TRANSFERS NOT CANCELLED OR MADE DUE TO YOUR ACTIONS RELATED TO SERVICE TERMINATION.

4. These Terms and Conditions, the Virtual Branch User Guide and applicable Services fees and charges may only be altered or amended by us. In such event, we shall send notice to you at your listed address or transmit notice of the alteration or amendment over the services. Your use of the Virtual Branch Services following receipt of such notice constitutes acceptance of such alterations or amendments.
5. In the event of a dispute regarding the Virtual Branch Services, you and we agree to resolve this dispute by looking to these Terms and Conditions. These Terms and Conditions shall supersede any and all other representations made by you or our employees.
6. These Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Arkansas.
7. Business days are Monday through Friday excluding holidays.