

UMPQUA BANK Bill Payment Service Terms and Conditions

This Agreement is a contract that establishes the rules that cover your Bill Payment Service ("Bill Pay") access through Umpqua online banking ("online banking"). By using online banking, whether by accessing via a web browser on a computer and/or an Umpqua mobile banking app on a mobile device (Android and iOS mobile devices) you accept all the terms and conditions of this Agreement. Please read it carefully.

Acceptance

You agree to be bound by this Agreement, as well as any other agreements, disclosure, rules, or notices relating to online banking and any other account as may be posted on Umpqua's website or otherwise made available to you, as applicable, and as amended from time to time, including but not limited to, any Terms and Conditions or Rules and Regulations of any account. If you do not agree to be so bound, you may not use Bill Pay and your use of Bill Pay constitutes acceptance of all such agreements, disclosures, rules, or notices as referenced herein.

Definitions

As used in this Agreement, the words "we", "our", "us" and "Umpqua" mean Umpqua Bank. "Company", "You" and "your" refer to the accountholder authorized by Umpqua to use Bill Payment Service under this Agreement and anyone else authorized by that accountholder to exercise control over the accountholder's funds through Bill Pay.

"Bill Pay" means the bill payment service.

"Agreement" means these terms and conditions of the bill payment service.

"Biller" is the person or entity to which you wish a bill payment to be directed.

"Payment Instruction" is the information you provide Umpqua for a bill payment to be made to the Biller.

"Payment account" is the checking account from which bill payments will be debited.

"Business days" means Monday through Friday. Federal holidays are not included.

"Delivery Date" is the day you want your Biller to receive your bill payment.

"Due date" is the payment due date reflected on your Biller statement; it is not the late date or grace period.

"Scheduled payment" is a payment that has been scheduled through Bill Pay but has not begun processing.

"Secure Access Code" is a six-digit single-use secure access code and is valid for 15 minutes and cannot be reused. If the code expires before you are able to enter it, you will need to log in to Umpqua online or mobile banking again for a new secure access code.

Access

To use Bill Pay you must have Umpqua's online banking service, at least one checking account or one money market account at Umpqua, access to Internet service, and an e-mail address. Your computer's or laptop's internet browser must have encryption capabilities at a minimum 128-bit level. You can also access Bill Pay through Umpqua's mobile banking app on a mobile device (Android and iOS mobile devices). You have the option of self-enrolling at www.umpquabank.com, calling our Customer Contact Center at 1-866-486-7782 or at any Umpqua Bank store.

Waiver of Requirements for Two Signatures

You recognize that any requirement to verify two signatures on checks, if such a requirement exists, does not apply to Bill Pay, and you release Umpqua from liability when making such payments. This means that any person who is authorized to act as a signer on your Payment account shall be authorized by you to individually make online bill payments from your Payment account, even though that person's authority to transfer or withdraw funds from your Payment account by some other means (e.g., by check) must be exercised jointly with one or more other persons.

Payment Delivery Date

The earliest possible Payment Delivery Date (Delivery Date) is typically four (4) or fewer Business Days from the current date. When scheduling payments you must select a Delivery Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on

a non-Business Day, you must select a Delivery Date that is at least one (1) Business Day before the actual Due Date. Delivery Dates must be prior to any late date or grace period. Generally, bill payments scheduled after 2:00 p.m. (Pacific Standard Time) will be processed on the next available Business day and reflected in the Bill pay calendar during the scheduling process. Typical delivery time for payment varies by biller.

Payment Authorization and Payment Remittance

By providing Bill Pay with names and account information of Billers to whom you wish to direct payments, you authorize Umpqua to follow the Payment Instructions that it receives through the Bill Pay system. In order to process payments more efficiently and effectively, Umpqua may edit or alter payment data or data formats in accordance with Biller directives.

When Bill Pay receives a Payment Instruction, you authorize Bill Pay to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Delivery Date designated by you. You also authorize Umpqua to credit your Payment Account for payments returned to Umpqua by the United States Postal Service or Biller, or payments remitted to you on behalf of another authorized user of Bill Pay.

Our Liability for Failure to make a Payment

Due to circumstances beyond the control of Bill Pay, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to your account at the Biller. Umpqua will bear responsibility for any late payment related charges up to \$50.00 should a payment post after its Due Date as long as the payment was scheduled in accordance with the guidelines described under "Payment Delivery Date" in this Agreement.

Your Liability for Unauthorized Use

CONTACT US AT ONCE if you believe your online banking, Bill Pay password or mobile device has been lost, stolen, used without your authorization, or otherwise compromised or if someone has accessed your account without your permission. An immediate telephone call to us is the best way to reduce any possible losses. You could lose all the money in your accounts (plus your maximum overdraft line of credit, if any). You assume full responsibility for the security and confidentiality of your passwords and personal identification numbers used to access Bill Pay.

Umpqua will use its best efforts to make all your payments properly. However, Umpqua shall incur no liability if Bill Pay is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:

1. If, through no fault of Bill Pay, your Payment Account does not contain sufficient funds to complete the transaction;
2. The payment processing center is not working properly and you know or have been advised by Bill Pay about the malfunction before you execute the transaction;
3. You have not provided Bill Pay with the correct Payment Account information, or the correct name, address, phone number, or account information for the Biller; and/or,
4. Circumstances beyond control of Bill Pay (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the foregoing exceptions are applicable, if Bill Pay causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Biller which does not comply with your Payment Instructions, Umpqua shall be responsible for returning the improperly transferred funds to your Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges.

Payment Methods

For each Bill Pay transaction, Umpqua reserves the right to select any or all combinations of method(s) in which to remit funds on your behalf to your Biller. These payment methods may include, but may not be limited to, an electronic payment (the funds will be deducted from your Payment Account on the Delivery Date), a corporate check payment (the funds will be deducted from your Payment Account on the Delivery Date), or a laser draft check payment (the funds are deducted from your Payment Account when the laser draft is presented to Umpqua for payment). Regardless of the payment method(s) selected by us, it is your responsibility to ensure that adequate funds are available in your Payment Account to clear the Scheduled Payment transaction.

Payment Cancellation Requests

You may cancel or edit any Scheduled Payment (including recurring payments) by following the directions within the application. There is no charge for canceling or editing a Scheduled Payment. Once Bill Pay has begun processing a payment it cannot be cancelled or edited, therefore a stop payment request must be submitted.

Stop Payment Requests

Once the bill payment has been debited from your Payment account, you CANNOT cancel or stop a bill payment which has been paid electronically. You may be able to stop a bill payment paid by paper draft by contacting us by telephone before the paper draft has cleared. (You will have to contact us by telephone to determine if the paper draft has cleared.) If the paper draft has not cleared, we will immediately process your stop-payment request. We will notify you immediately if the paper draft has already cleared. To be effective, this type of stop-payment request must precisely identify the name of the Biller, the Biller account number, the amount and Delivery date of the payment. If you put your stop payment request by telephone, we may also require you to put your request in the form of paper writing and get it to us within 14 days after you call. You will incur stop payment charges as disclosed in our Other Services and Fee Schedule for the account. Stop payment charges for bill payment paper drafts will be assessed in addition to the stop payment charges for the applicable account.

Prohibited Payments

Payments to Billers outside of the United States or its territories are prohibited through Bill Pay. In addition, payments that violate any law, statute, ordinance or regulation, and any payments related to illegal gambling, illegal gaming and/or any other illegal activity are prohibited through Bill Pay.

Exception Payments

"Exception Payments" means payments to deposit accounts or brokerage accounts, payments to settle securities transaction (including without limitation stocks, bonds, securities, futures (forex), options, or an investment interest in any entity or property), tax payments and court ordered payments. Exception Payments may be scheduled through Bill Pay; however such payments are discouraged and must be scheduled at your own risk. In no event shall Umpqua be liable for any claims or damages resulting from scheduling of these types of payments. Umpqua also will not be liable for any late payment related charges for these types of payments that are scheduled and/or processed by Bill Pay. Umpqua has no obligation to research or resolve any claim resulting from an exception payment. All research and resolution for any misapplied, miss posted or misdirected payments will be the sole responsibility of you.

Limits on Amounts and Frequency of Bill Pay Transactions

The number of transfers from Umpqua accounts and the amounts which may be transferred are limited pursuant to the terms of the applicable deposit agreement and disclosure for those accounts. If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires.

Bill Delivery and Presentment

This feature is for the presentment of electronic bills only and it is your sole responsibility to contact your Billers directly if you do not receive your statements. Note that occasionally, some Billers may automatically activate electronic bills for you on a trial basis without your consent. In those instances, and at the conclusion of those trials, you may optionally elect to continue receiving electronic bills for that Biller; however, you will need to authorize the activation of the electronic bill delivery and presentment at that time. In addition, if you elect to activate one of Bill Pay's electronic bill options, you also agree to the following:

Information provided to the Biller - The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes will need to be made by contacting the Biller directly. Additionally it is your responsibility to maintain all usernames and passwords for all electronic Biller sites. You also agree not to use someone else's information to gain unauthorized access to another person's bill. Umpqua may, at the request of the Biller, provide to the Biller your e-mail address, service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing you about service and/or bill information.

Activation - Upon activation of the electronic bill feature Bill Pay may notify the Biller of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Biller to Biller and may take up to sixty (60) days, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Biller. While your electronic bill feature is being activated

it is your responsibility to keep your accounts current. Each electronic Biller reserves the right to accept or deny your request to receive electronic bills.

Authorization to obtain bill data - Your activation of the electronic bill feature for a Biller shall be deemed by us to be your authorization for us to obtain bill data from the Biller on your behalf. For some Billers, you will be asked to provide us with your user name and password for that Biller. By providing us with such information, you authorize us to use the information to obtain your bill data.

Notification - Bill Pay will use its best efforts to present all of your electronic bills promptly. In addition to notification within Bill Pay, Bill Pay may send an e-mail notification to the e-mail address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to Bill Pay and check on the delivery of new electronic bills. The time for notification may vary from Biller to Biller. You are responsible for ensuring timely payment of all bills.

Cancellation of electronic bill notification - The electronic Biller reserves the right to cancel the presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days, depending on the billing cycle of each Biller. Bill Pay will notify your electronic Biller(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. Bill Pay will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.

Non-Delivery of electronic bill(s) - You agree to hold Umpqua harmless should the Biller fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.

Accuracy and dispute of electronic bill - Umpqua is not responsible for the accuracy of your electronic bill(s). Bill Pay is only responsible for presenting the information we receive from the Biller. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Biller directly.

This Agreement does not alter your liability or obligations that currently exist between you and your Billers.

Disclaimer of Warranty and Limitation of Liability

We make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with Bill Pay provided to you under this Agreement. We do not and cannot warrant that Bill Pay will operate without errors, or that any or all online banking Services will be available and operational at all times. Except as specifically provided in this Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of or access to Bill Pay, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warranty. Further, in no event shall the liability of Umpqua and its affiliates exceed the amounts paid by you for the services provided to you through online banking.

Security

You understand the importance of your role in preventing misuse of your accounts through online banking and Bill Pay and you agree to promptly examine your periodic statement for each of your Umpqua accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself, or together with information related to your account, may allow unauthorized access to your account. Your password and login ID, plus the Secure Access Code sent to you by text or automated call and/or security questions presented as challenges when online banking doesn't recognize your login behavior as fitting your normal pattern, are intended to provide security against unauthorized entry and access to your accounts. Data transferred via online banking and Bill Pay is encrypted in an effort to provide transmission security and online banking utilizes identification technology to verify that the sender and receiver of online banking transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the online banking and Bill Pay is secure, you acknowledge that the Internet is inherently unsecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing Umpqua's online banking, Bill Pay, or e-mail transmitted to and from us, will not be monitored or read by others.

You agree not to give or make available your password or other means to access your account to any unauthorized individuals. You are responsible for all payments you authorize using Bill Pay. If you permit other persons to use Bill Pay or your password or other means to access your account, you are responsible for any transactions they authorize. If you believe that your password or other means to access your account has been lost or stolen or that someone may attempt to use Bill Pay without your consent or has transferred money without your permission, you must notify Umpqua at once by calling 1-866-486-7782 during customer service hours.

Communications Between Umpqua and You

Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways:

Secure online message via online banking

Telephone - You can contact us by telephone at 1-866-486-7782

In Person - You may visit us in person at any one Umpqua store. Visit www.umpquabank.com for a complete list of our locations.

Postal Mail - You can write to us at:

Umpqua Bank Bill Payment Service
Attn: Umpqua Online Banking
PO Box 1820
Roseburg, OR 97470

Consent to Electronic Delivery of Notices

You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and any future disclosures required by law, including electronic fund transfer disclosures, may be made electronically by posting the notice on the Umpqua's online banking website or by e-mail. You agree to notify us immediately of any change in your e-mail address.

Unauthorized Payments

If you suspect an unauthorized Bill Payment on your account, contact us immediately. Your rights and responsibilities depend on the type of transaction (e.g. electronic or paper check) and the type of account (e.g. personal or business purpose) you have with us. Please see your *Electronic Funds Transfer Disclosure and Terms and Conditions of Your Account* disclosure for more information and instructions.

Disclosure of Account Information to Third Parties

It is our general policy to treat your account information as confidential. However, we will disclose information to third parties about your account or the transactions you make ONLY in the following situations:

1. Where it is necessary for completing transactions;
2. Where it is necessary for activating additional services;
3. In order to verify the existence and condition of your account to a third party, such as a credit bureau or Biller;
4. To a consumer reporting agency for research purposes only;
5. In order to comply with a governmental agency or court orders; or,
6. If you give us your written permission.

Failed or Returned Transactions

In using Bill Pay, you are requesting Umpqua to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction will not be completed. In some instances, you will receive a return notice from Bill Pay. In such case, you agree that:

1. You will reimburse Umpqua immediately upon demand the transaction amount that has been returned to Bill Pay;
2. For any amount not reimbursed to Umpqua within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed;
3. You will reimburse Umpqua for any fees imposed by your financial institution as a result of the return;
4. You will reimburse Umpqua for any fees it incurs in attempting to collect the amount of the return from you; and,
5. Umpqua is authorized to report the facts concerning the return to any credit reporting agency.

Change in Terms

We may change any term of this Agreement at any time. If the change would result in increased fees for any Bill Pay service, increased liability for you, fewer types of available electronic fund transfers, or stricter limitations on

the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic fund transfer system. We will post any required notice of the change in terms on the Umpqua online banking website or forward it to you by e-mail or by postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our Bill Pay system, we will not notify you of the change in terms. Your continued use of any or all subject online banking Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that changes to fees applicable to specific accounts are governed by the applicable deposit agreements and disclosures.

Your Right to Terminate

In the event you wish to terminate your Bill Pay service, you may do so by providing us with written notice by postal mail or fax.

Any payment(s) Bill Pay has already processed before the requested termination date will be completed by Bill Pay. All Scheduled Payments including recurring Payments will not be processed once Bill Pay is terminated.

Our Right to Terminate

You agree that we can terminate or limit your access to Bill Pay for any of the following reasons:

1. Without prior notice, if you have insufficient funds in any one of your Umpqua accounts. Bill Pay may be reinstated, in our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits.
2. Upon 3 business days' notice, if you do not contact us to designate a new payment account immediately after you close the account.
3. For any reason whatsoever in our sole discretion and upon reasonable notice to you.

Biller Limitation

Umpqua reserves the right to refuse to pay any Biller to whom you may direct a payment. Bill Pay will notify you promptly if it decides to refuse to pay a Biller designated by you. This notification is not required if you attempt to make a prohibited payment or an exception payment under this Agreement.

Returned Payments

In using Bill Pay, you understand that Billers and/or the United States Postal Service may return payments to Umpqua for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. Bill Pay will use its best efforts to research and correct the returned payment and return it to your Biller, or void the payment and credit your Payment Account. You may receive notification from Bill Pay.

Error Resolution

For **Personal Accounts** review the Error Resolution Notice in the Personal Terms and Conditions that were provided to you when you initially opened your checking account. For **Business Accounts** review the Your Duty to Report Other Errors section of the Business Rules and Regulations that were provided to you when you initially opened your company account with Umpqua.