

CFSB / GOCARDLESS SERVICE TERMS OF USE

These Terms of Use govern your use of the Service provided by the Bank and administered by GoCardless. As used herein, the terms "Bank" means Community Federal Savings Bank, "we", "us" and "our" mean Community Federal Savings Bank and GoCardless, as applicable.

Capitalized terms in these Terms of Use are defined in the Schedule entitled "Definitions - Terms of Use" which is located at the end of these Terms of Use.

You are advised to print or download and keep a copy of these Terms of Use (including the Definitions - Terms of Use) for future reference. Please also download and keep a copy of the Merchant Agreement, the terms of which will also apply as referenced and incorporated herein. These Terms of Use and the Merchant Agreement should be reviewed and considered together.

PLEASE REVIEW THESE TERMS OF USE CAREFULLY. THEY INCLUDE IMPORTANT TERMS, INCLUDING PROVISIONS REQUIRING ARBITRATION IN THE EVENT OF DISPUTES AND THE WAIVING OF YOUR RIGHT TO A JURY TRIAL (EACH AS SET OUT MORE FULLY IN SECTION 11 BELOW), BY ACCESSING OR USING ANY OF THE SERVICES DESCRIBED IN THESE TERMS OF USE OR THE MERCHANT AGREEMENT, YOU ARE AGREEING TO BE BOUND BY THESE TERMS OF USE. PLEASE DO NOT USE THE SERVICE IF YOU DO NOT ACCEPT THESE TERMS OF USE. THESE TERMS OF USE ARE A LEGALLY BINDING AGREEMENT BETWEEN YOU AND US AND IT IS IMPORTANT THAT YOU TAKE THE TIME TO UNDERSTAND THESE TERMS.

1. OVERVIEW AND ROLE OF THE PARTIES.

1.1 In order to receive the benefit of the Service you are also required to agree to the terms of the Merchant Agreement. For the purposes of the Merchant Agreement you understand that: (a) the Services described herein are Regulated Services; and (b) these Terms of Use are Regulated Terms.

1.2 The Bank is a federally insured financial institution chartered under United States federal law and an Originating Depository Financial Institution.

1.3 You acknowledge the settlement of the funds in connection with your use of the Service are services provided directly to you by the Bank. GoCardless retains responsibility for administering the overall Service provided to you, including (i) the supply of marketing and administrative services on behalf of and under the oversight of the Bank and (ii) acting as the collecting agent in respect of the Bank's component of supply and communicating all charges arising as a result of Services provided, including any sales or similar taxes imposed on you as the consumer of the Services. GoCardless is therefore also a service provider to you under the terms of the Merchant Agreement.

1.4 For the avoidance of doubt, all services under the Merchant Agreement provided by GoCardless or other agents or service providers are performed at the direction of and subject to the supervision and control of the Bank.

1.5 No bank account will be opened or established by CFSB or GoCardless for you. The funds processed through the Service will be cleared through a pooled custodial account held by "Community Federal Savings Bank for benefit of GoCardless merchants" or a similar title. You acknowledge and agree that you have no ownership interest, rights in, access or control over the pooled custodial account. Funds held in the pooled custodial account will not bear interest, but may be covered by federal deposit insurance at the option of GoCardless.

1.6 These Terms of Use set forth the terms and conditions governing your use of the Service as offered by Bank. Whereas the Merchant Agreement governs the commercial elements of your use of the Service, as provided by GoCardless.

2. OWNERSHIP AND USE OF THE SERVICE

2.1 **Suspension of Access.** The Bank, and GoCardless acting on behalf of the Bank, is entitled to suspend your or your Authorized Persons' access to the Service and/or otherwise restrict functionality if you are in breach of these terms. In all such cases we will, to the extent permitted under applicable laws, provide you with reasonable notice in advance of taking these steps. However, we may suspend your or your Authorized Persons' access to the Service and/or otherwise restrict functionality without notice if you

are using your Account or the Service in a manner that could cause us or any other person legal liability or cause us to breach our regulatory obligations. Any suspension or restriction shall continue for such a period as we shall reasonably determine to be necessary.

2.2 **Authorization.** You hereby authorize us to initiate debit or credit transactions to your designated bank account(s), or to reverse or rescind any previous transaction, to or from or your Account in connection with the Service.

2.3 **Customer Responsibilities.** The Bank and GoCardless shall not treat your Customers as the Bank's or GoCardless' clients, respectively, for the purposes of providing the Service. You are solely responsible and liable for all acts and omissions of your Customers.

3. DATA PROTECTION

3.1 **Personal Data.** The Bank will collect, store and process Personal Data to the extent necessary to allow it to provide you with the Service, to assess its risks in doing so, and to comply with applicable law, regulations, and regulatory requirements. The Bank will implement appropriate technical and organizational security measures to protect the Personal Data. You agree that we may send Personal Data to our holding company provided that: (a) we implement an adequate mechanism for such data transfers as required by applicable law; and (b) we ensure that the receiving holding company is under substantially similar data protection obligations as set out in this Section 3 of these Terms of Use.

3.2 **Identity.** The Bank may conduct searches through fraud prevention and identity-referencing agencies as well as through other sources of information and use scoring methods to provide you with the Service and to assess its risks in doing so, including credit standing and compliance with all applicable law, regulation and regulatory requirements. Additionally, information may be passed to governmental, regulatory or judicial organizations to prevent fraud or financial crime where we consider it appropriate.

3.3 **Privacy Notice.** Further details about the Service, including how to exercise your data protection rights, are available in the GoCardless privacy notice available at <http://www.gocardless.com/privacy>.

3.4 **Data Lawfully Obtained.** You confirm to us that all Personal Data which you or any of your officers, employees, agents or sub-contractors supply to us at any time has been lawfully obtained and will be lawfully supplied to us in accordance with applicable privacy laws, and that all relevant consents have been obtained from your Customers or an alternative legal ground for processing Personal Data has been relied on which enables us to process the Personal Data as envisaged by these Terms of Use.

3.5 Responsibility for Data. You are solely responsible for (i) the content, quality, accuracy and completeness of Customer data, including Personal Data and KYC/CDD information, and (ii) any other data transmitted by You or on your behalf via or in connection with the use of the Service.

4. ELIGIBILITY AND REGISTRATION.

4.1 Our Acceptance of You as a client. Our obligations under these Terms of Use are conditional upon our acceptance of you as a client which is at our sole discretion. We reserve the right to decline to provide the Service to you at any time without specifying a reason or providing notice. You acknowledge that all regulatory requirements need to be met before any services are provided by us. Before we agree to provide the Service to you and at all times during the term of your Merchant Agreement, you agree to cooperate with us and provide any information and documents and do all such acts we require (i) by law, regulation or according to our internal policies, (ii) to comply with requests of local and foreign regulatory, governmental and law enforcement authorities, (iii) to check your, your Authorized Users, or your Customers' identity, activities, and objectives, and (iv) to explain the reasons for the (intended) use of the Service, the origin of funds used for a service or transaction, and the economic nature of (the use of) a service or transaction. You hereby agree to promptly notify us in writing of any change in your business, activity or information and will provide us with any further information which is required from time to time for the purposes of our general policies or the provision of the Service. For the avoidance of doubt, the Service shall not commence until we have completed our compliance checks and you have agreed to be bound by the terms of the Merchant Agreement and these Terms of Use.

4.2 Your Representations and Warranties. You represent and warrant that:

(a) You intend to and will use the Service solely for business purposes and understand that any consumer (personal, family or household) use, whether on your own behalf or on behalf of others, is prohibited; and

(b) You are fully aware that the Service is operated by the Bank at the Bank's direction and subject to the Bank's rules and procedures, and that GoCardless is operating as a service provider to the Bank.

4.3 Disclaimer of Warranties. IN PROVIDING THE SERVICE TO YOU, NEITHER WE NOR ANY OF OUR AFFILIATES, EMPLOYEES, OFFICERS, DIRECTORS, AGENTS, SERVICE PROVIDERS OR SUBCONTRACTORS, MAKE ANY WARRANTIES OR REPRESENTATIONS TO YOU WITH RESPECT TO THE SERVICE EXCEPT AS EXPRESSLY SET OUT IN THIS AGREEMENT. WE HEREBY DISCLAIM TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW ALL IMPLIED AND STATUTORY WARRANTIES AND REPRESENTATIONS, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY. WE DISCLAIM ANY WARRANTY THAT THE SERVICE WILL OPERATE UNINTERRUPTED OR ERROR-FREE.

5. REGULATORY COMPLIANCE; UNLAWFUL USE

5.1 Identity Verification Process. To assist in the fight against money laundering and the funding of terrorism, we obtain, verify and record information. For these purposes the Bank will be entitled, as if it were a party to the Merchant Agreement, to collect the information listed underneath the heading "Verification of GoCardless Account" of the Merchant Agreement. KYC Information may also include, without limitation, your documents of incorporation and bylaws, as well as and where relevant, the passport, driver's license, or other government issued photo identification document of your principals, key executives, beneficial owners and other authorized users of the Service. We, or others acting on our behalf, may also contact you with additional questions

and periodically ask you to re-confirm these details (the "KYC Information"). You are responsible for all KYC Information and/or customer due diligence requirements relating to your Customers.

5.2 Compliance with OFAC, Other Sanctions, and Related Laws and Regulations.

The Office of Foreign Asset Control of the United States Department of the Treasury ("OFAC") administers sanctions programs with which we must comply. This means that we may institute a hold on your account or your funds, if we determine that you, or any transaction we process on your behalf is or may be subject to such sanctions programs (as well as non-US sanctions programs).

5.3 Unlawful and Other Impermissible Use. You agree not to use the Service for any unlawful activity, and we reserve the right to investigate any suspicious activity or in response to any complaints or reported violations. When investigating any such activity, we reserve the right to institute a hold on your account or your funds, to report suspected unlawful activity to any appropriate regulatory or similar authority or person and to provide such authority or person any relevant information, including personal data.

More specifically, you are not allowed to use the Service in connection with any of the restricted activities listed at <https://gocardless.com/legal/restrictions>.

6. ELECTRONIC FORMAT

6.1 The Service is an electronic commerce relationship. By subscribing to the Service, you acknowledge and expressly agree that transmission of the Service Communications (as defined below), the Terms of Use, and any document delivered to you in connection with the Service shall be executed using electronic signatures, as applicable, and delivered in electronic format. Such electronic documents shall suffice to bind the parties thereunder in the same manner as if an original document or signature had been delivered.

6.2 Unless otherwise required by applicable law, the following categories of information will be provided only by electronic means and not in paper format or through other non-electronic means: (i) these Terms of Use and the Privacy Policy and any amendments, modifications or supplements to them; (ii) your records of instructions to send money effectuated through the Service; (iii) any initial, periodic or other disclosures or notices provided in connection with the Service, including without limitation those that may be required by U.S. federal or state law; (iv) any customer service communications, including without limitation communications with respect to claims of error or unauthorized use of the Service; and (v) any other communication related to us, or the Service.

6.3 You may withdraw your consent to receive communications and documentation electronically by contacting us at <https://support.gocardless.com>. If you choose to withdraw your consent, your use of the Service shall be terminated.

7. CLIENT HELP CENTER AND SUPPORT

7.1 Information and Support. You may obtain information regarding the Service and GoCardless' support services by accessing the following link: <https://support.gocardless.com>.

8. CONFIDENTIALITY

8.1 Each party agrees (i) that it will neither use in any way, for its own account or the account of any third party, except as expressly permitted by, or required to enable it to perform its obligations under, these Terms of Use, nor disclose to any third party (except as required by law or to that party's advisors as reasonably necessary), any of the other party's Confidential Information, and (ii) will take reasonable precautions to protect the confidentiality of such information, which precautions shall be at least as stringent as those

it takes to protect its own Confidential Information. In addition, each party may reveal the other party's Confidential Information to its agents, representatives and employees who have a "need to know" such information in connection with these Terms of Use, who are informed of the confidential nature of such Confidential Information, and who shall agree to act in accordance with the terms and conditions of this Section. Each party agrees that the obligations under this Section will survive any expiration or termination of these Terms of Use.

9. LIABILITY

9.1 The parties agree that the sections underneath the headings "Payments Timings" and "Liability", and the section headed "Force Majeure Event" of the Merchant Agreement shall apply to these Terms of Use as if they were fully set out here and as if the Bank was a signatory to the Merchant Agreement, except that: (i) each reference in such incorporated sections to "GoCardless" or a "party" (in the specific context of such section referring to GoCardless) shall be deemed a reference to "the Bank"; (ii) each reference in such incorporated sections to "this Agreement" shall be deemed a reference to "these Terms of Use"; and (iii) each reference in such incorporated sections to "Merchant" shall be deemed a reference to "you".

10. TERM AND TERMINATION

10.1 **Term.** These Terms of Use shall remain in effect so long as your Merchant Agreement is in force, or for so long as we are providing any services to you.

10.2 **Additional Grounds for Termination.** We may suspend or refuse to provide the Service if, in our sole discretion (a) we believe the continued provision of the Service will violate applicable laws, regulations, or our policies or procedures, or (b) we reasonably suspect any risk associated with your registration or the settlement of funds. This includes, for the avoidance of doubt, any modifications we make to internal risk assessments, policies and procedures, either based on our own internal processes or at the request of our financial institution partners, a regulator or otherwise, and as a result of such modifications we conclude in our sole discretion that providing the Service to you is not consistent with our risk profile. We will do our best to notify you prior to taking any such action. However, if prior notification is not practicable, we will promptly notify you by email after the suspension. We have no obligation to notify you should such a notification be impossible or unlawful.

10.3 **Assignment.** GoCardless may (i) transfer or novate these Terms of Use to remove CFSB as a party to the extent that GoCardless determines that it may provide the Service to you, either using another bank, or directly or through an Affiliate, or (ii) continue to provide the Service to you under a successor agreement unrelated to these Terms of Use, as GoCardless or its Affiliates may establish in its sole discretion.

10.4 **Survival.** The following provisions will survive any expiration or termination of these Terms of Use and your Merchant Agreement: Sections 3, 4.3, 8, 9, and 10, and any other provision that by their nature are intended to survive termination of your Merchant Agreement.

11. GOVERNING LAW AND ARBITRATION.

11.1 These Terms of Use and any claim or controversy arising out of or relating thereto, including any claim against in connection with the Service (collectively, a "Claim") is governed by the laws of the United States and the state of New York, without regard to conflicts or choice of laws principles, whether or not you live in New York.

11.2 YOU HEREBY CONSENT TO ARBITRATION OF ALL CLAIMS BEFORE A SINGLE ARBITRATOR. THE ARBITRATOR WILL BE SELECTED, AND THE ARBITRATION CONDUCTED,

PURSUANT TO THE COMMERCIAL ARBITRATION RULES (EXPEDITED PROCEDURES) OF THE AMERICAN ARBITRATION ASSOCIATION. NO "CLASS" OR SIMILAR GROUP ARBITRATION SHALL BE PERMITTED. ALL ARBITRATION HEARINGS OR SIMILAR PROCEEDINGS SHALL BE HELD IN NEW YORK, NEW YORK, ALTHOUGH YOU MAY ELECT TELEPHONIC PROCEEDINGS OR WAIVE ANY HEARING. The AAA Commercial Arbitration Rules (Expedited Procedures) are available for review at: <https://www.adr.org/Rules> (click on "Commercial Arbitration Rules and Mediation Procedures" - Rules).

11.3 Any arbitral award shall be final and binding and may be enforced by any court of competent jurisdiction.

11.4 You understand that, in return for your agreement to this Section, we are able to offer you the Service at the terms designated, and that your assent to this Section is an indispensable consideration to these Terms of Use.

11.5 You also acknowledge and understand that, with respect to any Claim:

YOU ARE GIVING UP YOUR RIGHT TO HAVE A TRIAL BY JURY; YOU ARE GIVING UP YOUR RIGHT TO HAVE A COURT RESOLVE ANY SUCH DISPUTE; and YOU ARE GIVING UP YOUR RIGHT TO SERVE AS A REPRESENTATIVE, AS A PRIVATE ATTORNEY GENERAL, OR IN ANY OTHER REPRESENTATIVE CAPACITY, OR TO PARTICIPATE AS A MEMBER OF A CLASS OF CLAIMANTS, IN ANY ARBITRATION OR LAWSUIT INVOLVING ANY SUCH DISPUTE.

11.6 This Section is made pursuant to a transaction involving interstate commerce and will be governed by the Federal Arbitration Act, 9 U.S.C.1-16.

12. MISCELLANEOUS

12.1 **Amendments.** Where required by any law, regulation, or as required by any governmental authority with applicable law, we reserve the right to amend these Terms of Use by giving you no less than ten (10) days' prior written notice. Such amendments will become effective on the date specified in the written notice, **except** where an amendment is required by applicable law to take effect sooner. Unless otherwise mutually agreed by us in writing, an amendment will not affect any legal rights or obligations which may have already arisen prior to the date specified in the notice. Notwithstanding the foregoing, any amendment to Terms of Use that materially and adversely impacts you must first be agreed upon in writing signed by us and you, and in the event that the parties are unable to reach agreement and we in any event implement such amendment to these Terms of Use, you shall have the right in your sole discretion without any liability to terminate your Merchant Agreement forthwith.

12.2 **Service Providers.** We may use agents and service providers, including GoCardless, to help us deliver the Service to you, except as to those services that must be provided directly by the Bank. All services by GoCardless or other agents or service providers are performed at the Bank's direction and subject to the Bank's supervision and control.

12.3 **Notices to Us.** Any notice of legal claim or other process pursuant to these Terms of Use shall be delivered:

(a) to the Bank by e-mail to legal@cfsb.com or by mail to:

Community Federal Savings Bank
89-16 Jamaica Avenue
Woodhaven, New York 11421
Attn: CFSB Legal;

(b) to GoCardless by email to legal@gocardless.com

Schedule: Definitions – Terms of Use

"Affiliates" means, in relation to an entity, any person or entity controlling, controlled by or under common control with such entity. An entity is deemed included within the meaning of "Affiliate" even if it qualifies as such after these Terms of Use have been entered into;

"Authorized Person" means any person authorized by you to give us instructions in relation to the Service.

"Terms of Use" means these terms and conditions, including the schedules and any other terms and conditions referred to herein, including the Privacy Policy, all as amended from time to time.

"Claim" means any claim or controversy arising out of or relating to these Terms of Use, including any claim against us in connection with the Service.

"GoCardless" means GoCardless Ltd. and its Affiliates.

"Merchant Agreement" means the agreement between you and GoCardless setting out the commercial terms for the provision of the Service provided by the Bank.

"Confidential Information" means confidential information of a party concerning such party's business, plans, customers, clients, technology, services and products, and other information held in confidence by such party, including all information in tangible or intangible form that is marked or designated as confidential or that, under the circumstances of its disclosure, should be considered confidential. Our Confidential Information will include, but not be limited to, the GoCardless Technology, and your Confidential Information will include, but not be limited to Customer data including Personal Data. Information will not be deemed Confidential Information if such information: (i) is known to the receiving party prior to receipt from the disclosing party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (ii) becomes known (independently of disclosure by the disclosing party) to the receiving party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (iii) becomes publicly known or otherwise ceases to be secret or confidential, except through a breach of these Terms of Use by the receiving party; or (iv) is independently developed by the receiving party. The receiving party may disclose Confidential Information pursuant to the requirements of a governmental agency or by operation of law, provided that it gives the disclosing party reasonable prior written notice sufficient to permit the disclosing party to contest such disclosure and it is not itself unlawful to give such notice.

"Customer" means a customer of yours, including without limitation any customer you engage with in connection with the Service.

"Account" means the commercial services account you open and maintain with GoCardless.

"KYC Information" has the meaning set out in Section 5.1.

"Personal Data" means non-public personal information of a natural person.

"Service" means the payment processing services provided by the Bank as governed by these Terms of Use and the Merchant Agreement with GoCardless.

"You" or "your" means you, the person who is contracting with us for the provision of the Service and who separately has a Merchant Agreement with GoCardless.