

Business Membership and Account Agreement



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BUSINESS MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement is the contract of deposit, which covers your and our rights and responsibilities concerning the Business Membership and account(s) offered to you. In this Agreement, the words “you”, “yours” and the “Member” mean the person or entity in whose name the account is opened as indicated on the Business Account Agreement (“Business Account Agreement”) and its authorized signers. The words “we,” “us,” and “our” mean Gain Federal Credit Union (“Credit Union”). The word “account” means any one or more deposit accounts you have with the Credit Union.

Your account type(s) is (are) designated on the Business Account Application and Agreement. Your account shall be held as a business or organization account in the name of the Member. By signing the Business Account Agreement or completing and transmitting an online account authorization or service request that is a part of this Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Electronic Services Agreement and Rates and Fee Schedule accompanying this Agreement, any account receipt, the Credit Union’s Bylaws and policies, and any amendments, and any other agreements you enter into with the Credit Union, which collectively govern your Business Membership and accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time. You further represent and warrant that the accounts will be used for a business purpose only and not for personal, household or family purposes and that you will implement reasonable measures to ensure that the account is used for a business purpose only.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for individuals: When an individual opens an account, we will ask for their name, address, date of birth, and other information that will allow us to identify them. We may also ask to see their driver’s license or other identifying documents. What this means for entities: When a business entity opens an account or requests credit, we will ask for the business name, business address, Employer Identification Number, and other information that allows us to identify the business and signatories. We may also ask to see other identifying documents showing existence of the business entity.

MEMBERSHIP AND ACCOUNTS

MEMBERSHIP ELIGIBILITY

To be eligible for membership in the Credit Union you must be an individual or organization qualifying within the Credit Union’s field of membership and must satisfy the membership qualifications as required by the Credit Union’s Bylaws. You authorize us to check financial information data about you by any means allowed by law, including obtaining a credit report or credit score from any consumer reporting agency to verify your eligibility to establish or transact on any accounts and services we offer or you request. Any Authorized Signer designated on the Business Account Application and Agreement may cast votes on behalf of the organizational member at any regular or special meeting.

INDIVIDUAL BUSINESS ACCOUNTS

An individual account is an account owned by one depositor including any individual or sole proprietor qualified for Credit Union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent’s estate.

ACCOUNT AUTHORIZATION

You must designate on the Business Account Application and Agreement who is authorized to act on behalf of the Member/Account Owner as an Authorized Signer. At least one Authorized Signer must be a corporate officer: President, Vice President, Treasurer or Secretary, general partner, LLC Manager/Member, or owner, or other organization officer as applicable.

The persons named on the Business Account Application and Agreement or Account Change of Authority as Authorized Signers are authorized to act on behalf of the Member with respect to accounts based upon the authority set forth on the Business Account Application and Agreement or Account Change of Authority.

Authority of Authorized Signers. The Member/Account Owner agrees to notify the Credit Union in writing of any change in the Authorized Signers' authority. The Credit Union may request any other evidence of an Authorized Signer's authority at any time. The Credit Union is directed to accept and pay without further inquiry any item, signed by an Authorized Signer drawn against any of the Member's accounts. The Credit Union may require that third party checks payable to a club or association may not be cashed, but must be deposited to the account. Any one Authorized Signer is expressly authorized to endorse all items payable to or owned by the Member for deposit with or collection by the Credit Union and to perform any other transaction permitted under this Agreement. The Credit Union cannot accept account documents where more than one signature is required to transact business. If you establish an account which purports to require two (2) or more signatures on any items drawn on the account or purports to limit the maximum amount for which any person can sign an item, then you acknowledge that any such requirements are solely for your own internal control purposes. You agree that the Credit Union will not be liable for paying any item lacking the required number of signatures or in an amount exceeding the maximum limit assigned to the signer.

The authority given to the Authorized Signers named on the Business Account Agreement shall remain in full force until written notice of revocation or a Business Account Agreement is delivered to and received by the Credit Union with reasonable opportunity to act. Any such notice shall not affect any items in process at the time notice is given. An Authorized Signer shall notify the Credit Union of any change in the Member's composition, assumed business names, or any aspect of the entity affecting the deposit relationship between the Member and the Credit Union before any such change occurs. The Credit Union shall have no duty to inquire as to the powers and duties of any Authorized Signer and shall have no notice of any breach of fiduciary duties by any Authorized Signer unless the Credit Union has actual notice of wrongdoing.

DEPOSIT REQUIREMENTS

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth herein or on the Rate and Fee Schedule. All accounts are nonassignable and nonnegotiable to third parties. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute warranties and indemnity, without our consent. If you do so, you agree to indemnify the Credit Union for all losses the Credit Union incurs in connection with the substitute check or item.

Endorsements. You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third party checks presented for deposit either in person or by comparison with member signature files. If an insurance, government, and certain other checks or drafts require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as set forth on the check. Endorsements must be placed in the space between the top edge and 1 ½ inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

Collection of Items. The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection. The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items should they become lost in the collection process.

Final Payment. All items or Automated Clearing House ("ACH") transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return fee on your account. After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

Direct Deposits. The Credit Union may offer direct deposit options allowing you to preauthorize deposits or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30)

days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

Crediting of Deposits. Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Ask for our current deposit cutoff time. Deposits received at unstaffed facilities, such as night depositories, will be credited on the day funds are removed and processed by the Credit Union and are subject to adjustment based on our verification of the items deposited. Items drawn from an institution located outside the United States are handled on a collection basis only. Funds will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

ACCOUNT ACCESS

Authorized Signature. In order to access your account, you must provide Credit Union with documentation satisfactory to it evidencing the person or persons duly authorized to transact business on the account and their authorized signatures. The Credit Union is authorized to recognize such signatures, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you open your account electronically and/or do not provide us with physical signatures, you agree that we may, without liability, accept as genuine any signature that appears to be genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear the facsimile signature of an authorized person even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

Access Options. You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, Online and Mobile Banking service, or telephone). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

Electronic Check Transactions. If you authorize a merchant to electronically debit your checking account using the routing number, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed and signed, such authorization is an electronic check conversion and is an EFT governed by your Electronic Services Agreement.

ACH & Domestic Wire Transfers. If offered, you may initiate or receive credits or debits to your account via wire transfer or ACH (Automated Clearing House) transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Terms and conditions for international wire transfers will be provided at the time of the transfer transaction. Domestic wire transfers are governed by the Uniform Commercial Code Section 4A, and (if the transfer is cleared through the Federal Reserve) by Federal Reserve Regulation J. ACH transactions are governed by the rules of the National Automated Clearing House Association. You agree that the authorized transfer to or from your account must comply with all applicable federal and state laws or regulations including OFAC (Office of Foreign Asset Control) regulations.

International ACH Transactions. You understand that in the event of an International ACH Transaction ("IAT") Entry that is transmitted to any one of your accounts is identified and designated by the Credit Union's screening criteria for review and examination under the OFAC Rules and Regulations ("OFAC Rules"), then the settlement of such an IAT Entry may be delayed or suspended pending the Credit Union's review of the IAT Entry, and may be terminated under applicable OFAC Rules. You acknowledge that we may be required to place an indefinite hold on the funds covered by the IAT Entry if the IAT Entry is required to be terminated under the OFAC Rules. You agree that any delay described above will be a permissible delay under the regulations applicable to the availability of funds held in deposit accounts. In the event an IAT Entry is delayed or terminated, we will provide you such notice as may be required by applicable laws and regulations.

Credit Union Examination. The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

ACCOUNT RATES AND FEES

The Credit Union's payment of dividends on any account is subject to the account rates, fees, earnings, payment and balance requirements as set forth on the Rate and Fee Schedule. You agree the Credit Union may impose fees for the deposit account services provided by the Credit Union. A current Rate and Fee Schedule has been provided to you separately. You agree the Credit Union may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

TRANSACTION LIMITATIONS

Withdrawal Restrictions. The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks or other transfer or payment orders which are drawn against insufficient available funds will be subject to a service fee, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds. The Credit Union may also refuse to allow a withdrawal in other cases, for example: any dispute between the owners of Member about the account (unless a court has ordered the Credit Union to allow the withdrawal), a legal garnishment or attachment is served, the account secures an obligation to the Credit Union, any required documentation has not been presented, or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks) of not less than seven (7) days and up to sixty 60 days, as required by law, before such withdrawal.

Transfer Limitations. For Share Savings accounts and Money Market accounts, you may make up to six (6) preauthorized, automatic, online, telephonic or audio response transfers, to another account of yours or to a third party during any calendar month. A preauthorized transfer includes any arrangement with the Credit Union to pay a third party from the member's account upon oral or written orders including orders received through the ACH. There is no limit on the number of transactions you may make in the following manner: (i) transfers to any loan account with the Credit Union, and (ii) transfers to another Credit Union account or withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail or at an ATM. If a transfer request would exceed the transfer limitations set forth above in any statement period, the Credit Union may refuse or reverse the transfer, and your account will be subject to suspension or closure by the Credit Union and the Credit Union may impose a fee.

OVERDRAFTS

General Overdraft Liability. If on any day the available funds in your checking account are not sufficient to cover checks and other items (ACH, debit card or ATM card transactions) posted to your account, those checks and items will be handled in accordance with our overdraft procedures and the terms of this Agreement. If we pay a check or item that overdraws your account, you are liable for and agree to pay the overdraft amount and an insufficient funds (NSF) fee immediately. If we do not pay the check or item we will return it unpaid and you agree to pay a return item fee. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond any midnight deadline limits.

How We Process Checks & Items. The Credit Union's determination of an insufficient account balance is made at the time the check or item is presented to us, which may be later during the day than the time you conduct the transaction. Overdrafts will be determined based on the "available balance" in your account at the time of presentment. Your available balance may be lower than your actual balance due to funds held for debit card transactions you have authorized and deposited checks held pursuant to our funds availability policy. Your available balance does not include any overdraft limit we approve for you. You can view the available balance in your checking account through Online Banking to avoid an overdraft. Transactions may not be presented in the order which they occurred and the order in which checks or items are received and processed may affect if an overdraft occurs. The Credit Union processes and pays (i) checks by the lowest check number first, and (ii) ACH credits and ACH debits and debit card transactions in the chronological order they are received.

We will honor checks and other items drawn on insufficient funds in your checking account by transferring the necessary funds from a savings account or other deposit account as you designate. If you have enough funds in your savings account, you authorize us to automatically transfer funds to cover any overdraft on your checking account. If your savings account balance is insufficient to cover the amount of the overdraft, we will only transfer the available funds to cover the amount of the overdraft, if another overdraft protection plan is available, we will not overdraw your savings account. If another overdraft protection plan is not available, we will return the check or item unpaid. There is an overdraft transfer fee for each overdraft transfer made as provided on the Rate and Fee Schedule.

POSTDATED AND STALE-DATED CHECKS

You authorize us to accept and pay any check, even if the check is presented for payment before its date. You also agree not to deposit checks, drafts, or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check drawn on your account which is presented more than six (6) months after its date.

STOP PAYMENT ORDERS

Stop Payment Request. You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your checking account. You may request a stop payment by telephone, by mail, Online Banking service or in person. For checks, the stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, date and number of the item, its exact amount, and to whom it was issued. For ACH debits, the stop payment order must be received at least three banking days before the scheduled date of the transfer. You must state the number of the account, date and the exact amount of the check or ACH and the number of the check or originator of the ACH debit. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. If we recredit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check to the Credit Union, and to assist the Credit Union in legal action taken against the person.

Duration of Order. You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order on a check or an ACH transaction will continue until the entry is returned or until you cancel the stop payment order.

Liability. The Credit Union may charge a fee for each stop payment order requested, as set forth in the Rate and Fee Schedule. You may not stop payment on any certified check or draft, cashier's check or teller's check, or any other check, draft, or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or indorsee in failing to stop payment of an item as a result of incorrect information provided by you.

LIMITATIONS ON LIABILITY

We are not responsible for confirming the accuracy of any information provided by you and are not responsible for any discrepancies between check numbers, amounts, payee names and other information provided. We will not be responsible for or liable to you or any third party for any delay, damage, loss, liability, inconvenience or claim (other than any loss, liability or claim caused by our gross negligence or willful misconduct) arising out of:

- circumstances beyond the Credit Union's reasonable control;
- your negligence, including your failure to examine your statements or the negligence of another financial institution;
- any act or omission of any service organization or agent;
- any system failure, malfunctioning, delay or failure to provide any services;
- any use of any communications networks, either private, public or otherwise, operated by a third party, in connection with any services provided by us;
- any errors resulting from incomplete or incorrect data received by us; or
- your communication of any confidential or other information to us by fax, or by other electronic means including electronic mail or if we communicate such information to you by these means at your request or as a reply to a communication sent to you over the same channel.

In no event will we be liable for direct or indirect, special or consequential damages including, but not limited to, loss of profit or other economic loss in connection with, or arising out of, our providing, or ceasing to provide the account and any services in respect of an account. The Credit Union's actions will constitute the exercise of ordinary care if such actions or nonactions are consistent with applicable state law, applicable Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

CREDIT UNION LIEN AND SECURITY INTEREST

To the extent you owe the Credit Union money as a borrower, guarantor, indorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness without further notice to you. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by a dwelling, unless prohibited by applicable law.

OUR RIGHT TO FREEZE ACCOUNTS OR BLOCK TRANSACTIONS

We can freeze accounts and loans or refuse to complete transactions if any authorized person is in default on any material obligation to us, if we reasonably believe that allowing the requested transaction will cause us a loss or if we discover fraud or a breach of this Agreement. We may block accounts or decline transactions consistent with requirements imposed by laws, regulations or government agency directives. In case of conflicting instructions, we reserve the right but do not undertake the duty to freeze funds in any account or refuse to make loan advances until we receive consistent written instructions from all authorized persons or a valid order from a court of competent jurisdiction

LEGAL PROCESS

If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

ACCOUNT INFORMATION

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (a) it is necessary to complete the transaction; (b) the third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (c) such disclosure is in compliance with the law, government agencies or court orders; or (d) you give us your express permission.

NOTICES

Name or Address Changes. It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. The Credit Union will accept notices of a change in address and any other notice from you to the Credit Union only if provided in writing, in person, by telephone, by Online Banking service, or secure messaging. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth in the Rate and Fee Schedule.

Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Your continued use of the account after receipt of the notice of amendment is considered acceptance of the amendment.

Effect of Notice. Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. The Credit Union reserves the right to accept oral instructions, and you agree to hold the Credit Union harmless from any liability as a result of such instructions. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any one account owner is considered notice to all owners of the account.

Negative Information Notice. We may report information about your loan, share or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

Electronic Signatures. You understand and agree that your electronic consent is your electronic signature which specifically records your signature and assent to the Business Membership and Account Agreement and constitutes your agreement to the terms and conditions of the Business Membership and Account Agreement. You agree your electronic signature captured and stored as an image by this electronic means shall be sufficient evidence of your assent to be contractually bound by the Agreement and shall constitute a valid signature for purposes of any provision of this Agreement.

STATEMENTS

Contents. If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. For checking accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. You agree to keep a copy or carbon copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically. You understand your statements and checks are made available to you on the date the statement is mailed to you.

Examination. You are responsible for examining each statement and reporting any irregularities to the Credit Union. The Credit Union will not be responsible for (i) any forged, altered, or unauthorized check or item drawn on your account if you fail to notify the Credit Union within 30 days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item, or (ii) any items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.

Notice to Credit Union. You agree that the Credit Union's retention of checks does not alter or waive your responsibility to examine your statements and check copies, or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charged to your account unless you notify the Credit Union in writing within the above time limit after the statement and checks are made available to you.

Electronic Statements (eStatements). If you have elected to receive your statement electronically, your statement will be available through the Online and Mobile Banking service to access, review, print, and otherwise copy or download as disclosed in your online statement agreement.

DORMANT ACCOUNTS AND UNCLAIMED PROPERTY

Dormant Accounts. If you have an account that you have not made a withdrawal from, deposit to, or transfer involving your account for more than twelve (12) months and the Credit Union has been unable to contact you by regular mail during that period, the Credit Union may classify your account as a dormant account and may charge a dormant account service fee as allowed by applicable law and set forth on the Rate and fee Schedule. Thereafter, dividends will not be paid on the account if the balance falls below any minimum balance requirement. The Credit Union will notify you at your last known address prior to imposing any fee as required by law.

Unclaimed Property Law. State laws require that the Credit Union turn over dormant deposit accounts to the state if you have not made a deposit or withdrawal, corresponded in writing with the Credit Union within specified time periods, or we have been unable to contact you. To recover your funds, you will then have to file a claim with the applicable state agency.

Reclaiming Escheated Property: If your funds have been sent to the state, you may file a claim by contacting the California state Controller's office, Unclaimed Property Division, P.O. Box 942850, Sacramento, California 94250-5880, nationwide call 800-992-4647, out-of-Us call 916-323-2827, or go to www.sco.ca.gov.

TERMINATION OF ACCOUNT

The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (a) there is a change in owner or authorized signers, (b) there has been a forgery or fraud reported or committed involving your account, (c) there is a dispute as to the ownership of the funds in the account, (d) any account checks are lost or stolen, (e) there are excessive returned unpaid items not covered by an overdraft plan, (f) there has been any misrepresentation or any other abuse of any of your accounts, (g) we reasonably deem it necessary to prevent a loss to us, (h) you engage in any activity of betting or wagering or are otherwise engaged in any Online gambling business, or (i) any owner or authorized user causes the Credit Union to suffer a loss. You may terminate your account at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment. Termination of this Agreement does not release you from payment of accrued fees.

TERMINATION OF MEMBERSHIP

You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw. You may be expelled if you cause a loss to the Credit Union, there has been any misrepresentation or any other abuse on any of your other accounts or if you fail to comply with the Credit Union policies, procedures, or Bylaws, conduct yourself in a threatening or abusive manner to Credit Union personnel, willfully damage Credit Union property or for any other reason allowed by applicable law. If you are expelled, you may not be a joint account owner on another account.

MONITORING AND RECORDING COMMUNICATIONS.

The Credit Union may without liability monitor, record and retain telephone conversations, electronic messages, electronic records and other data transmissions between you and the Credit Union at any time without further notice to you, unless further notice is otherwise required by the applicable law.

NO FIDUCIARY RELATIONSHIP

The Credit Union's relationship with you concerning your accounts is that of debtor and creditor; no fiduciary quasi-fiduciary, or special relationship exists between you and the Credit Union.

ENFORCEMENT

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, (subject to applicable law), to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions, if applicable.

GOVERNING LAW; SEVERABILITY; NON-WAIVER

This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of California, as applicable, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the courts in the county where the Credit Union is located. In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force.

YOUR ABILITY TO WITHDRAW FUNDS

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7th business day after the day of your deposit.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the 11th business day after the day of your deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES

Funds from any deposits (cash or checks) made at automated teller machines (ATM's) we do not own or operate may not be available until the fifth business day after the day of your deposit. This rule does not apply at ATM's that we own or operate.

BUSINESS ELECTRONIC SERVICES AGREEMENT

By establishing and using an electronic funds transfer service or access device, you agree to the following terms and conditions governing your and our rights and responsibilities concerning electronic fund transfer services offered to you by the Credit Union and any amendments. Electronic funds transfers ("EFTs") are electronically initiated transfers of money including, but not limited to Mastercard Debit Card, Online and Mobile Banking, Remote Deposit and Bill Pay services involving your business deposit accounts at the Credit Union.

Anyone using the EFT services described below (collectively, the "Services") represents that he or she has full authority to use the Services and to engage in any action taken by him or her. The Services may be established by any authorized user of the account holder. Any authorized user, acting alone, may effect transactions through the Services. This Agreement is a supplement to the Business Membership Account Agreement which you have entered into with the Credit Union. It supplements those accounts which you and the Credit Union have agreed will be accessed by one of the Services. This Agreement supersedes all other account agreements to the extent that there is a conflict.

ELECTRONIC SERVICES

Mastercard Debit Card. You may use your Mastercard Debit Card ("Card") to purchase goods and services any place your Card is honored by participating merchants, including Point of Sale (POS) terminals within the networks or such other POS terminals as the Credit Union may designate. Funds to cover your Card purchases will be deducted from your checking account. If the available balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to the Overdraft Service or may terminate all services under the Debit Card Agreement. Your use of the Card is subject to the daily purchase and cash withdrawal limits provided in the Debit Card Agreement. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient available funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds.

ATM Transactions. You may use your Card and Personal Identification Number (PIN) in automated teller machines of the Credit Union; Cirrus, Plus, STAR, Pulse, Mastercard and Co-op Networks; and such other machines we may designate. At the present time, you may use your Card to make the following transactions on your accounts:

- Withdraw cash from your savings, or checking accounts.
- Transfer funds between your savings and checking accounts.
- Obtain account balance information on savings and checking accounts.
- Make deposits to your savings or checking accounts at Credit Union ATMs and selected Co-op Network ATMs.

There is no limit to the number of withdrawals you may make at Credit Union ATMs and nonproprietary ATMs. However, you may be charged a fee as set forth in the Rate and Fee Schedule. You may withdraw up to \$1,500 (if there are sufficient funds available in your account) per day at any authorized ATM, subject to security requirements and limits placed by each individual ATM. You may transfer between your share, savings or checking accounts up to the balance in your accounts at the time of the transfer at available locations.

Online Banking Service. Upon approval, you may use a computer to access your accounts with the online banking (Online Banking) service. You must use your member number along with your security code or access code to access your accounts. Online Banking is accessible seven (7) days a week. This service may be unavailable during brief maintenance periods. To access this service you will need a personal computer and a web browser. The online address for Online Banking is <https://gainfcu.com/access/online.html>. You are responsible for the installation, maintenance and operation of your computer and modem. The Credit Union will not be responsible for any errors or failures involving any telephone service or your computer.

At the present time, you may use Online Banking to:

- Transfer funds between your savings, checking, and loan accounts, as allowed, including loan payments;
- Review savings and checking account balance, transaction history and dividend information;
- Review loan account balance, transaction history, payment due dates, loan payoff amounts and finance charges (excluding mortgages);
- Review available copies of cleared checks, e-statements and tax information;
- Request withdrawals from a savings or checking accounts by check mailed to you;
- Make bill payments from your checking account using the Bill Pay service;
- Communicate with the Credit Union using electronic mail (E-mail); and
- Update address, phone and email address.

Transactions involving your savings and checking accounts will be subject to the terms of your Business Membership and Account Agreement. You authorize us to debit your account for any transactions processed through Online Banking or other Service, and for any fees incurred. You authorize us to initiate any reversing entry or reversing file, and to debit your accounts at the Credit Union or elsewhere, in order to correct any erroneous transaction. You agree to cooperate with any action to reverse a transaction that was made in error to offset any benefit you receive against any loss we incur.

The following limitations and requirements on Online Banking transactions may apply:

- **Transfers.** You may make funds transfers between your accounts as often as you like. Transfers from your savings, or money market accounts will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account, except as limited under this Agreement or your deposit or loan agreements. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction and you will be notified of those limits.
- **Account Information.** The account balance and transaction history may be limited to recent account information. Availability of funds for transfer or withdrawal may be limited due to the processing time required for ATM deposit transactions and our Funds Availability Policy.
- **Secure Messaging.** You may use the secure messaging function within Online Banking to send messages to us during business hours. The secure messaging function may not be used to initiate a transfer on your account. The Credit Union may not immediately receive messaging communications sent by you; therefore, the Credit Union will not take action on transaction requests. Contact the Credit Union immediately regarding any unauthorized transaction or stop payment request; call the Credit Union at the telephone number set forth below.

Bill Pay Services. When you apply for bill payment service (Bill Pay) you must designate your checking account as the account from which payments that you authorize will be deducted. You will be given the ability to set up merchants, institutions or individuals that you would like to pay. You are not permitted to designate governmental agencies or courts. All payees must be in the United States. We reserve the right to not allow the designation of a particular merchant or institution.

You authorize us to process Bill Pay transactions from your checking account. You or any persons who you have authorized to use your Bill Pay service or access code can perform the following Bill Pay transactions:

- **Make Bill Payments.** Pay any designated merchant, institution or individual a fixed, recurring amount or a variable amount from your designated checking account.
- **Obtain Information.** Obtain information (payee information, payment status information, etc.) about your bill payment account status.

You may use Bill Pay to initiate single or recurring bill payment transactions. Single payments are payments initiated today with today's transfer date. Payments can be canceled or changed through Bill Pay by 1:30 pm PST. Recurring payments are payments that reoccur on a preset date with a fixed amount. You have the option in Bill Pay to set recurring payments to continue until a specific date.

Number and Authorized Payees. There is no limit on the number of payments or payees you may authorize. You may not make payments to federal, state or local governments or other categories of payees we designate from time to time. When you submit a Bill Pay transaction, you authorize us to transfer funds from your checking account. We will process Bill Pay transactions only to those payees the Credit Union has designated, payees you authorize and payees for whom the Credit Union has the proper payee member number.

The amount of your requested bill payment will be deducted from your account on the Scheduled Payment Date. There is a maximum dollar limit you may withdraw of \$30,000.00 during any 24-hour period. You must have sufficient funds available to cover your payment on the Scheduled Payment Date. It is your responsibility to schedule your Bill Pay transactions in such a manner that your obligations will be paid on time. You should enter and submit your Bill Pay transactions at least seven (7) business days prior to the payment due date. If you do not allow sufficient time, you assume full responsibility for any late payments and/or finance charges that may be imposed as a result of your failure to submit a timely Bill Pay transaction. The Credit Union will not process any Bill Pay transfer if we know the required transaction information is incomplete. In any event, the Credit Union will not be liable for any transaction that contains incorrect information that the Credit Union was not responsible for providing or entering. If there are insufficient available funds in your account to make the Bill Pay request the payment will not be processed. The Credit Union reserves the right to refuse to process payment instructions that reasonably appear to the Credit Union to be fraudulent or erroneous.

Payments designated as single transactions cannot be stopped, canceled or changed once a payment is withdrawn from the account. You may cancel Recurring Bill Pay transactions by following the Bill Pay instructions by 1:30 pm PST on the day the payment is scheduled. If you discover an error or want to change a transaction (i.e. payment date or payment amount) for a Bill Pay transaction you have already submitted, you may electronically edit or cancel your transaction through Bill Pay. Your cancellation or change request must be submitted through Bill Pay before 1:30 pm PST. If your transaction is not canceled in a timely manner, you will be responsible for the payment. You may call the Credit Union at the telephone number set forth below to request a stop payment. If you call the Credit Union, you may be required to confirm your stop payment request in writing within 14 days after the call.

MOBILE DEPOSIT SERVICES DISCLOSURES AND AGREEMENTS

GENERAL TERMS AND CONDITIONS

APPLICABLE TO BOTH ELECTRONIC FUNDS TRANSFER AND MOBILE DEPOSIT SERVICES

These Electronic Funds Transfer and Mobile Deposit Disclosures and Agreements as amended from time to time "Agreement" set forth the terms and conditions governing the use of Gain Federal Credit Union's: A) Electronic Funds Transfer service; and B) Mobile Deposit service. Please read these Disclosures and Agreements completely and retain them with your personal records. By using, or allowing another person to use, the Electronic Funds Transfer and/or Mobile Deposit services offered by Gain Federal Credit Union, you are agreeing to be bound by the terms and conditions of these Disclosures and Agreements. In these Disclosures and Agreements, the terms "you" and "your(s)" refer to the Member, and the terms "we", "us", "our(s)" and "Credit Union" refer to Gain Federal Credit Union.

FEES

All fees or charges associated with the Electronic Funds Transfer and Mobile Deposit services are disclosed in our Fee Schedule, as amended from time to time, a copy of which accompanies these Disclosures and Agreements. At any time, in our discretion, we may add to or modify disclosed fees, subject to any prior notice requirements under applicable law (see Amendments). Your continued use of the Electronic Funds Transfer and Mobile Deposit services after the change becomes effective shall constitute your agreement to pay the disclosed fee. You may designate in writing the account from which such fees may be charged; however, you authorize us to charge such fees to any account you maintain with us in the event that a specific account has not been designated by you in writing or if there are insufficient funds in the designated account.

OUR RIGHT TO AUDIT

We may periodically audit your individual transactions and use of the Electronic Funds Transfer and Mobile Deposit services to verify your compliance with this Agreement. You agree to cooperate with any such audit and to provide, at your expense, such information or documents as we may reasonably request.

TERMINATION

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of the Electronic Funds Transfer and Mobile Deposit services at any time with or without cause. We may do so immediately if:

- a) You or any authorized signer on your account breaches this or any other agreement with the Credit Union;
- b) We have reason to believe that there has been or might be an unauthorized use of your account; or
- c) You or any authorized signer on your account requests that we do so.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

We will disclose information to third parties about your account or the transfers you make:

- a) When it is necessary to complete the transaction;
- b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c) In order to comply with government agency or court orders or other legal process; or
- d) If you give us your prior oral or written permission.

ADDRESS CHANGE

You are required to keep the Credit Union informed of your current address or e-mail address to insure correct mailing of monthly statements. If you have elected to receive statements electronically, it is also your responsibility to keep the Credit Union informed of your current email address.

ADDITIONAL BENEFIT ENHANCEMENTS

The Credit Union may from time to time offer additional services to you in connection with your accounts. Some services may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

GOVERNING LAW; ATTORNEYS' FEES

All agreements and disclosures shall be construed in accordance with the laws of the State of California and the provisions of the California Uniform Commercial Code (UCC). You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

RESERVATION OF RIGHTS

Failure or delay by the Credit Union to enforce any provision of this Agreement or to exercise any right or remedy available under this Agreement, or at law, shall not be deemed a waiver and the Credit Union expressly reserves the right to enforce such provision, or to exercise such right or remedy, at a later date.

OTHER AGREEMENTS

Except as stated otherwise in the Disclosures and Agreements, these Disclosures and Agreements does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

SEVERABILITY

If any part of these Disclosures and Agreements should be held to be unenforceable, the remaining provisions of these Disclosures and Agreements shall remain in full force and effect.

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a share or share/draft account or the issuance of an ATM card, debit card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

WHAT IS MOBILE DEPOSIT?

Mobile Deposit is a service that allows you to deposit a check into your Credit Union account from anywhere with cellular data connectivity by using the Gain Federal Credit Union Mobile Application and your mobile device to take and send an Electronic Image of the item. It eliminates the need to deliver the paper item to the Credit Union.

SYSTEM REQUIREMENTS

To use Mobile Deposit, you must have a mobile device with an enabled camera and service plan that includes data and Internet access. Third party fees may apply for data and Internet access. Contact your mobile device carrier for additional information. You must also have the Gain Federal Credit Union Mobile Application installed on your mobile device. The Gain Federal Credit Union Mobile Application can be downloaded from your device's application store. The Operating System version must be compatible with the latest version of the application.

REQUIREMENTS FOR ELECTRONIC IMAGES

Prior to creating an Electronic Image of a check, you must add the words "For Deposit Only," "GFCU," your Credit Union account number, and your signature endorsement to the back of the check, or as otherwise instructed by the Credit Union.

An "Electronic Image" must contain: (i) a complete, legible and accurate image of the front of the check showing the name of the drawer/payor, signature(s), the paying bank's pre-printed information, MICR encoded information, the name of the payee and the payment amount information; and (ii) a complete, legible and accurate image of the back of the check showing your signature endorsement.

The following check items are not accepted for deposit through the Mobile Deposit service:

- Items displaying a "non-negotiable" or "void" notation or watermark.
- Items containing an alteration on the front of the check, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Federal Reserve Board Regulation CC.
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete or illegible information.
- Items that are money orders, traveler's checks or savings bonds.
- Items made payable to a third party (i.e., any person or entity other than you).
- Items that are in violation of any federal or state law, rule, or regulation.
- Checks or items prohibited by the Credit Union's current procedures relating to the Mobile Deposit service or are otherwise not acceptable under the terms of your Credit Union account.
- Items with any endorsement on the back other than what is specified in this Agreement.
- Checks or items exceeding set maximum deposit limits.
- Items previously reported as unpaid.
- Items that are Demand Drafts, Insurance Drafts or other remotely created items.
- Items that are duplicate, irregular, have multiple payees or require double endorsement.

You agree to follow any and all other procedures and instructions for use of the Mobile Deposit service as the Credit Union may establish from time to time. Failure to do so may result in your transaction(s) not being processed and/or the removal of the Mobile Deposit services.

TRANSACTION LIMITATIONS

The maximum dollar amount you may deposit on any day is determined by your relationship with the Credit Union, which takes into consideration factors including, but not limited to, the number of accounts and services you have with the Credit Union and how long you have been a member. You will be notified of your daily deposit limitation upon logging into the Mobile Deposit service. We reserve the right to modify this limit from time to time.

PROCESSING ELECTRONIC IMAGES

We will review each Electronic Image received to determine whether it is eligible for processing. If eligible, we will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable "Paying Bank"; (b) create a substitute check that we will present directly or indirectly to the Paying Bank; or (c) if we are the Paying Bank, present or post the Electronic Image. If we determine for any reason that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, we will require you to present the original item for deposit. It is your responsibility to retain the original item for a reasonable period of time to ensure that it is properly credited to your account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into your account. The Credit Union is not responsible for any image that we do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Mobile Deposit service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned. You are solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

CUT-OFF TIME AND CREDIT TO YOUR ACCOUNT

Items transmitted using the Mobile Deposit service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC, and therefore longer hold delays may apply to these deposited items. Deposits received before 4:00 p.m. Pacific Time on a business day the Credit Union is open (a "business day" is any day except Saturdays, Sundays and holidays) will be credited to your account on the first (1st) business day after the day we receive your deposit. Deposits received after 4:00 p.m. Pacific Time on a business day the Credit Union is open will be credited on the second (2nd) business day after we receive your deposit. Funds that you deposit using the Mobile Deposit service may not be immediately available to you.

RECORD RETENTION

It is your responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. You should securely store each original check(s) for a period of sixty (60) days after you receive confirmation that your deposit has been accepted, as the Credit Union may require you to surrender the original check(s) for verification purposes. Please note that you are solely responsible for the security and storage of the original checks and you are solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be disposed of in a secure manner designed to ensure that they cannot be read or recreated.

SERVICE AND MAINTENANCE

We may periodically audit the Mobile Deposit services and infrastructure. From time to time, the Credit Union may disable the Mobile Deposit services without prior notice for scheduled maintenance and upgrades to the system. In the event the Mobile Deposit service is unavailable, you may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to us at 1800 W. Magnolia Blvd., Burbank, CA 91506.

HOW TO NOTIFY US IN CASE OF ERRORS

If you believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, call us at (818) 846-1710 or (800) 622-3328, or write to us at 1800 W. Magnolia Blvd., Burbank, CA 91506. You will be asked to produce the original item and may be asked to complete a written statement in support of your claim.

AMENDMENTS

The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to you at your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Remote Deposit Capture service or designated accounts.

MEMBER WARRANTIES AND INDEMNIFICATION

By using the Mobile Deposit service, you represent and warrant all of the following to be true:

- The item transmitted is a complete, accurate and unaltered item payable to you, that it originated as a paper item, and that you are legally entitled to negotiate it.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the Mobile Deposit service.
- No other duplicate images of the original check have been made.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- You will not attempt to deposit or otherwise negotiate any original check that you have previously presented to us as an Electronic Image through the Mobile Deposit service. You will not attempt to present a duplicate Electronic Image.

You agree to indemnify, defend and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by you in the performance of your obligations under this Agreement.
- Calculation or data entry errors made by you.
- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of your obligations.
- Your failure to securely maintain your hardware, your security credentials, or to securely maintain or dispose of any original check.

This section shall survive the termination of the Mobile Deposit service.

Electronic Check Transactions. You authorize us to honor any electronic check conversion transaction and re-presented check fee debit transactions you authorize (“electronic check transactions”). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant’s right to process the transaction, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

Wire Transfer Services. If the Online Banking Wire Transfer Service is requested and approved for you, the Credit Union will provide you the ability to instruct the Credit Union to send domestic funds transfers (“Wire Transfer”), through Online Banking (“Wire Transfer Services”), which create obligations from you to the Credit Union. You understand and acknowledge that execution of any Payment Order to the Credit Union is subject to the following terms and requirements.

You will designate online the person(s) whom you have granted authority to transmit Wire Transfers via Online Banking (“Authorized Users”). The Credit Union may rely on your designation to transmit Wire Transfers via Online Banking. You understand that any transaction by a business owner, employee, agent representative or anyone you authorize to transact business on your account or any transaction by an Authorized User that exceeds the specific transaction authority you have provided, are considered authorized transaction for which you remain fully responsible. You are responsible for safeguarding your business, financial and personal data, passwords and other information to prevent unauthorized access to or use of your accounts or service.

You may instruct the Credit Union to execute a Wire Transfer(s) on your behalf (each a “Payment Order”) by submitting the Payment Order to the Credit Union in such form as the Credit Union requires, and by following the procedures established by the Credit Union for verifying the authenticity of Payment Orders (“Security Procedure”).

You agree to use the Credit Union’s Security Procedure, as set forth in this Section, and as such Security Procedure may be amended as agreed upon by you and the Credit Union from time to time, for the purpose of verifying the authenticity of Payment Orders and communications amending or canceling Payment Orders. The Credit Union’s Security Procedure consists of a combination of security devices, questions and protocols, which include Tokens, Passwords, Out of Band Authentication and Online Banking Wire Transfer Limits, which are described in more detail below. The Credit Union maintains commercially reasonable Security Procedures based primarily of its knowledge of the service users’ circumstances and its knowledge of security procedures employed by similarly situated users and receiving banks. You and your Authorized Users and other agents shall maintain the highest possible level of confidentiality with regard to the Security Procedure, and will take all steps necessary to prevent access to them by unauthorized persons. You agree to notify us immediately following your discovery of any unauthorized use. Subject to the Credit Union’s obligations under this Agreement, the Credit Union will have no liability in connection with, or resulting from, the execution of any wire transfer by the Credit Union that was verified pursuant to the Security Procedure, except to the extent UCC Art 4A prohibits the parties from varying the Credit Union’s liability with respect to such wire transfers. You understand that the Security Procedure is not for the purpose of detecting errors in transmission or content of a Payment Order or a Wire Transfer.

The Security Procedure utilizes two factor authentication secure token or OOB technology. To initiate Wire Transfers via Online Banking, a token may be required, or OOB may be required over a certain dollar limit, as agreed upon between you and the Credit Union. An Authorized User must be in physical possession of the token or registered phone for OOB to Initiate a Wire Transfer. You agree that it is your sole and absolute responsibility to secure and protect access to all tokens and phones used for two factor authentication.

Limits on the amount of Online Banking Wire Transfers will be established and agreed upon between you and the Credit Union. Online Banking Wire Origination Limits may be set on a master level and may be set by you at user level. You authorize the Credit Union to reject Payment Orders that exceed established Online Banking Wire Origination Limits.

The Credit Union may, at its sole discretion, but without obligation or duty to do so, except to the extent otherwise specifically provided in this Agreement, by a notice of rejection delivered orally, electronically or in writing, reject any Payment Order, including, without limitation, any Payment Order that the Credit Union believes (a) exceeds the collected and available funds on deposit in your designated Account(s); (b) exceeds any of the Online Banking Wire Transfer Limits; (c) is not authenticated to the Credit Union's satisfaction, or which the Credit Union otherwise believes may not be authorized by you; (d) contains incorrect, inconsistent, ambiguous, or missing information; (e) involves funds which are subject to a lien, security interest, claim hold, dispute, or legal process prohibiting withdrawal; (f) exceeds legal, regulatory, payment system or governmental policy limitation; (g) may have been issued without proper authorization; or (h) is incomplete. The Credit Union shall incur no liability to you for any losses incurred by the Credit Union's refusal, with or without notice to you, to honor any Payment Order.

The Credit Union is not obligated (and is not liable for its failure) to cancel or amend a Payment Order after its receipt by the Credit Union. The Credit Union will, however, make reasonable efforts to comply with your request to cancel or amend a Payment Order. Any request for cancellation or amendment must be made in compliance with the Security Procedure. You will indemnify and hold the Credit Union harmless from any and all liabilities, costs and expenses the Credit Union may incur in canceling or amending, or in attempting to cancel or amend, a Payment Order.

The Credit Union is authorized to execute Payment Orders, and to charge your accounts for such Payment Orders, without inquiry as to the circumstances of issue or the disposition of the proceeds, even if drawn to the individual order of any of the Authorized Users or payable to others for the Authorized User's account. The Credit Union will use commercially reasonable efforts to execute Payment Orders on the Business Day of receipt if (a) the Credit Union received the Payment Order and is able to authenticate it before the Credit Union's cutoff time, and (b) the day the Payment Order is received is a funds transfer Business Day for the Credit Union. In any event, a transfer from an Account with the Credit Union can be processed on the same Business Day a Payment Order is received by the Credit Union only if the Credit Union accepts the Payment Order and you have received confirmation communicated through the System by 2:30 p.m. Pacific Time on that same Business Day that the Payment Order was successfully transmitted to the Credit Union via Online Banking. The Credit Union may change its cutoff times without prior notice to you. You shall complete all Payment Orders in the form and format designated by the Credit Union.

The Credit Union may employ any reasonable means it chooses for the transmission of funds pursuant to a Payment Order. The Credit Union is not responsible for (i) performance failure as a result of an interruption in transfer facilities, labor disputes, power failures, equipment malfunctions, suspension of payment by another bank, refusal or delay by another bank to accept the wire transfer, war, emergency conditions, fire, earthquake, or other circumstances not within the Credit Union's control; or (ii) for any other performance failure that is not a result of the Credit Union's breach of this Agreement.

The Credit Union may rely, without incurring liability to you, on information (including names, amounts and account numbers) provided by you and/or your Authorized Users on the Authorization, in the Payment Order or otherwise when executing or otherwise processing a Payment Order, even if such information is incorrect. The Credit Union may, in such circumstances, charge your Account(s) and assess Customer with Obligations. Accordingly, you understand that when a Payment Order identifies by name and number a beneficiary financial institution, intermediary financial institution or beneficiary, the Credit Union and every receiving or beneficiary financial institution may rely on the identifying number to make payment, regardless of whether the number matches the named financial institution, person or account. You are responsible for immediately providing the Credit Union with updated Authorization forms reflecting any changes in authorization of your personnel.

You will maintain a deposit account with available funds to cover any Wire Transfer. If funds are not available, or if the amount of the Payment Order exceeds the Online Banking Wire Transfer Limits at the time the Payment Order is submitted or at any time prior to initiation of the Wire Transfer, the Credit Union may elect not to initiate the Wire Transfer.

THE CREDIT UNION'S LIABILITY FOR ONLINE BANKING WIRE TRANSFER SERVICES IS SOLELY AND EXCLUSIVELY LIMITED TO YOUR ACTUAL PECUNIARY LOSSES AND THE REMEDIES SET FORTH IN UCC ARTICLE 4A (AS APPLICABLE), EXCEPT AS THE TERMS OF SUCH STATUTE ARE EXPRESSLY VARIED BY THIS AGREEMENT. UNDER NO CIRCUMSTANCE WILL THE CREDIT UNION BE LIABLE FOR ANY SPECIAL, INCIDENTAL (EXCEPT AS MAY OTHERWISE BE SPECIFICALLY PROVIDED IN UCC ART. 4A), AS APPLICABLE), INDIRECT, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS OF ANY KIND, LOSS OF PRODUCTION, DOWNTIME COSTS OR CLAIMS AGAINST YOU BY OTHERS.

CONDITIONS OF CARD USE

The use of your Card and account are subject to the following conditions:

Ownership of Cards. Any Card or other device which we supply to you is our property and must be returned to us (or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card), immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or account to another person. You may not use the Card for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund.

Security Access Code. The personal identification number or access code that you select is for your security purposes. The access code is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your access code, you understand that person may use the Online Banking service to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your signature authorizing transactions. If you authorize anyone to use your access code in any manner that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your access code immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your access code is changed. If you fail to maintain or change the security of these access codes and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

Foreign Transactions. Purchases and cash advances made in foreign countries will be billed to you in US dollars. The currency conversion rate for international transactions as established by Mastercard International, Inc. is a rate selected by Mastercard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard itself receives, or the government-mandated rate in effect for the applicable central processing date. If there is a currency conversion, you will be charged an foreign transaction fee of 1% of the transaction amount for any card transaction made in a foreign country.

Illegal Use of Online Gambling. You agree that all transactions that you initiate by use of your Card are legal in the jurisdiction where you live and/or where the transaction occurred. Online gambling may be illegal in the jurisdiction in which you are located, including the United States. Your Card may only be used for legal transactions. Display of a payment card logo by an online merchant does not mean that online gambling transactions are lawful in all jurisdictions in which you may be located. We have restricted all online gambling transactions with the Card.

Non-Mastercard® Debit Card Transactions Processing. We have enabled non-Mastercard Debit transaction processing. This means you may use your Card on a PIN-Debit Network (a non-Mastercard network) without using a PIN. The non-Mastercard Debit network(s) for which such transactions are enabled are the STAR Network. Examples of the types of actions that you may be required to make to initiate a Mastercard transaction on your Card include signing a receipt, providing a card number over the phone or via Online, or swiping the card through a point-of-sale terminal. Examples of the types of actions you may be required to make to initiate a transaction on a PIN-Debit Network include initiating a payment directly with the biller (possibly via telephone, Online, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through use of a PIN. The provisions of your agreement with us relating only to Mastercard transactions are not applicable to non-Mastercard transactions. For example, the additional limits on liability (sometimes referred to as Mastercard's zero-liability program) and the streamlined error resolution procedures offered on Mastercard Debit Card transactions are not applicable to transactions processed on a PIN-Debit Network. Mastercard rules generally define PIN-Debit Network as a non-Mastercard Debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card.

MEMBER LIABILITY

You are responsible for all transfers you authorize using the Services under this Agreement. If you permit other persons to use a Card, or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. You understand that any transaction by a business owner, employee, agent representative or anyone you authorize to transact business on your account or any transaction by

an authorized person that exceeds the specific transaction authority you have provided is considered an authorized transaction for which you remain fully responsible. You are responsible for safeguarding your business, financial and personal data, access codes and other information to prevent unauthorized access to or use of your accounts through the Services. If you believe your access code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission. If you notify us that the person is no longer authorized, then only transactions that person performs after the time you notify us and we have a reasonable opportunity to respond are considered unauthorized. Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions. If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: (818) 846-1710 or toll free at (800) 622-3328; or write: Gain Federal Credit Union, 1800 W. Magnolia Blvd., Burbank, CA 91506.

FEES

There are certain fees for electronic fund transfer services as set forth in the Rates and Fee Schedules, which is incorporated herein. From time to time, the fees may be changed. We will notify you of any changes as required by law. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

RIGHT TO RECEIVE DOCUMENTATION

Transfers and withdrawals transacted through any electronic service will be recorded on your periodic statement provided by mail or electronically. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly. You may request that your statement be provided electronically. You understand and agree that statements are made available to you on the date they are mailed to you or an electronic statement is available for your access. Images of Credit Union checks cashed at a Credit Union branch or checks that are returned are not available for viewing in Online Banking service.

PREAUTHORIZED ELECTRONIC FUND TRANSFERS

Cancellation Rights. If you have authorized the Credit Union to originate regular electronic fund transfers from (or to) your account at the Credit Union, you or the Credit Union may cancel that request at any time up to three (3) business days before the scheduled date of the transfer. This request may be made in person or in writing. If you order us to cancel one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages only if accurate information was provided to us.

Notice of Varying Amount. If these regular payments may vary in amount, the company you are going to pay will tell you ten (10) days before each payment when it will be made and how much it will be.

Liability. The Credit Union may charge a fee for each stop payment order requested, as set forth in the Rates and Fee Schedules. If payment of an item is stopped, you may remain liable to any person, including the Credit Union, who is the holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

CREDIT UNION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS

The Credit Union shall have no liability to you, or any other person or entity for any loss, damage, cost, or expense arising out of this Agreement or the Electronic Services regardless of the form in which asserted, whether in contract, tort (including negligence), warranty, or any other legal or equitable grounds, and regardless of whether the remedies available fail of their essential purpose, except as provided by applicable law. We shall have no liability for not completing a transaction, if we receive actual notice or have reason to believe that you have filed for bankruptcy, the ownership of funds involving a transaction or the Authorized Signer's authority to conduct a transaction is in question; we suspect your account has been used for illegal or fraudulent purposes; or we reasonably believe that a transaction is prohibited by federal law or regulation, or this Agreement. We will not be liable if you fail to report timely any error or discrepancy reflected in a statement prepared by us, or if you fail to report a breach of a security procedure. If we fail to perform under this Agreement in accordance with the standards set herein, our liability for damages, losses, and other compensation owing to you shall be limited to direct damages caused solely by the Credit Union. We shall not be liable for any loss, damage, liability, or claim arising directly or indirectly from any error, delay, or failure to perform hereunder which is caused by earthquakes, fires, natural disasters, civil or foreign disturbances, power outages, acts of government, labor disputes, failures in either communication or computer networks, legal constraints, or any other event beyond its control.

NOTICES

The Credit Union reserves the right to change the terms and conditions upon which the Services are offered. The Credit Union will mail notice to you at least thirty (30) days before the effective date of any change, if required by law. Use of the Services are subject to existing regulations governing the Credit Union account and any future changes to those regulations.

TERMINATION OF ELECTRONIC FUND TRANSFER SERVICES

You agree that we may terminate this Agreement and your electronic fund transfer services, if you or any authorized user of your electronic fund transfer services or access code breaches this or any other agreement with us, or if we have reason to believe that there has been an unauthorized use of your Card or access code. You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

MOBILE DEPOSIT SERVICE

Mobile Deposit Process. If we approve the Mobile Deposit service for you, you must use your Online Banking password with your Login to access your accounts. You may photograph an image of checks with your remote device creating an electronic image and you may transmit the electronic image that the Credit Union will deposit to your account. The Credit Union's processing agent shall perform an image quality assessment of the imaged checks and shall convert items meeting the Credit Union's required standards into substitute checks to facilitate the deposit and collection of such items. You agree that the manner in which checks are cleared or presented for payment shall be determined by Credit Union, in its sole discretion. We reserve the right to select the clearing agents through which we clear checks.

Funds Availability. Funds from items deposited through the Mobile Deposit Service will be available on the day the item is cleared by the payor bank or the Credit Union has been given credit. There may be additional holds on deposited items as set forth in the Credit Union's Funds Availability Policy disclosure, as amended from time to time, which is incorporated herein by reference. For purposes of determining the cut-off period for deposits and the availability of funds, checks deposited via Mobile Deposit session are considered received by the Credit Union when the checks have cleared and funds are available to the Credit Union. You agree that the imaging and transmitting of checks alone does not constitute receipt by Credit Union. Also, acknowledgment of receipt or delivery does not constitute an acknowledgment by Credit Union that the transmission of a check or items does not contain errors or that funds will be available.

Deposit Acceptance. You agree that Credit Union may at any time, in its sole discretion, refuse to accept deposits of checks from you via Mobile Deposit. In the event that the Mobile Deposit Service is interrupted or are otherwise unavailable, you may deposit checks in-person at a Credit Union branch or via night drop or mail or other contractually acceptable method.

Member Account. You must designate a Credit Union savings or checking account as the settlement account to be used for the purposes of settling transactions requested in connection with the Mobile Deposit Service. We will provide you with details of each specific transaction. You will be responsible for reviewing and balancing of any settlement account.

You are solely responsible for imaging deposit items, accessing the service from the Credit Union and for maintaining your imaging equipment. You will be responsible for the payment of all telecommunications expenses associated with the service. Credit Union shall not be responsible for providing or servicing any equipment for you.

You agree that you will only use the Mobile Deposit Service to deposit checks drawn on financial institutions within the United States, excluding its territories. For checks not falling within this requirement you must deposit those checks in person, using a night drop facility or by U.S. Mail. You agree that each check you deposit through the Mobile Deposit Service will meet the image quality standards directed in the application.

You agree that all checks belong to you and not to the Credit Union and that those items shall be handled in accordance with this Agreement. After our receipt of a deposit transmission we will acknowledge by electronic means our receipt of such transmission. Your electronic transmission is subject to proof and verification. You will retain the original of all imaged checks that have been deposited via Mobile Deposit for a reasonable period of time in order to verify settlement and credit or to balance periodic statements, but in no case beyond thirty-five (35) days from the date processed. It is your responsibility to properly destroy and dispose of such original checks after such time. During the period that you maintain any original checks, you understand and agree that you must use a high degree of care to protect these original checks against security risks. These risks include, without limitation, (i) theft or reproduction of the original checks (including by employees) for

purposes of presentment for deposit of these original checks (i.e., after the original checks have already been presented for deposit via the Service) and (ii) unauthorized use of information derived from the original checks. When you dispose of any original checks, you understand and agree that you must use a high degree of care when selecting and implementing disposal procedures to ensure that the original checks are not accessed by unauthorized persons during the disposal process and, once destroyed, the original checks are no longer readable or capable of being reconstructed.

You agree not to deposit, or attempt to deposit, or allow others, either directly or indirectly, to deposit, or attempt to deposit, by any means: (i) any Substitute Check, the original of which has already been presented for deposit via the Service, (ii) any image of a check that has already been deposited either as an original or as a substitute check, or (iii) any original check, the Substitute Check of which has already been presented for deposit via Mobile Deposit. In the event that you, or any third party, makes, or attempts to make, a deposit in violation of this Subsection you agree to defend, indemnify, and hold Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to any such Substitute Check or original check. You agree that the aggregate amount of any items which are deposited more than once will be debited from your account, and to the extent funds in your account are insufficient to cover such amount, any balance shall be debited by Credit Union from any other deposit accounts with Credit Union in its sole discretion. You further acknowledge that you and not the Credit Union is responsible for the processing and handling of any original items which are imaged and deposited utilizing the Service and you assume all liability to the drawer of any item imaged using the service or liability arising from the Credit Union's printing of any substitute check from those images.

You represent and warrant:

- that you will comply with all federal and state laws, and rules and regulations applicable to deposit and check transactions, including those of the National Automated Clearing House for ACH transactions;
- that all checks deposited through the Mobile Deposit Service are made payable to you;
- that all signatures on each check are authentic and authorized; and
- that each check has not been altered.

In the event you breach any of these representations or warranties, you agree to defend, indemnify and hold Credit Union and its agents harmless from and against all liability, damages and loss arising out of any claims, suits or demands brought by third parties with respect to any such breach. You further authorize the Credit Union to charge your account for the amount of any such demand, claim or suit that constitutes a breach of warranty claim under the provisions of the Uniform Commercial Code.

You understand that you remain, solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds associated with accessing the Mobile Deposit Service. The Credit Union shall not be liable in any manner for such risk unless Credit Union fails to follow the procedures described in materials for use of the Mobile Deposit Service. You assume exclusive responsibility for the consequences of any instructions you give to the Credit Union, for your failures to access the Mobile Deposit Service properly in a manner prescribed by the Credit Union, and for your failure to supply accurate input information, including, without limitation, any information contained in an application.

You will verify and reconcile any out-of-balance condition, and promptly notify the Credit Union of any errors within the time periods established in this Agreement after receipt of your account statement. If notified within such period, the Credit Union shall correct and resubmit all erroneous files, reports, and other data at the Credit Union's then standard charges, or at no charge, if the erroneous report or other data directly resulted from the Credit Union's error.

CREDIT UNION'S OBLIGATIONS.

We will review and process your electronic file through a batch processing. Batch processing happens 3 times per day. The Credit Union agrees to transmit all the financial data under its control required to utilize the service selected by you and to act on appropriate instructions received from you in connection with such service. The Credit Union shall exercise due care in seeking to preserve the confidentiality of the user number, password, test key, or other code or identifier. You agree that implementation by the Credit Union of its normal procedures for maintaining the confidentiality of information relating to its members and where practicable the obtaining by the Credit Union from any third parties engaged in the installation, maintenance and operation of the system of similar undertakings, shall constitute fulfillment of its obligation to exercise due care, but shall not otherwise be under any liability or have any responsibility of any kind for any loss incurred or damage suffered by you by reason or in consequence of any unauthorized person gaining access to or otherwise making use of the Mobile Deposit Service. You assume full responsibility for the consequences of any misuse or unauthorized use of or access to the Mobile Deposit Service.

You understand that the Mobile Deposit Service availability is at all times conditioned upon the corresponding operation and availability of the communication systems used in communicating your instructions and requests to the Credit Union. We will not be liable or have any responsibility of any kind for any loss or damage thereby incurred by you in the event of any failure or interruption of such communication systems or services resulting from the act or omission of any third party, or from any other cause not reasonably within the control of the Credit Union.

When we review and process your electronic file, we may reject any electronic image that we determine to be ineligible for the Mobile Deposit Service ("Exception Item") including, without limitation, electronic images of items drawn on banks located outside the United States, items drawn on U.S. Banks in foreign currency, electronic images that are illegible (due to poor image quality or otherwise), electronic images of items previously processed, electronic images previously converted to substitute checks, and electronic images with unreadable MICR information. We will notify you of any Exception Items. You agree that if you wish to attempt to deposit any Exception Item to any of your accounts with Credit Union, you will only do so by depositing the original item on which the Exception Item is based. You acknowledge and agree that even if you do not initially identify an electronic image as an Exception Item, the substitute check created by the Credit Union there from may nevertheless be returned to Credit Union because, among other reasons, the electronic image is deemed illegible by a paying bank. Credit Union's failure to identify an Exception Item shall not preclude or limit your obligations to Credit Union.

We will provide you with daily transaction history via the Internet and the Online Banking service detailing items processed, return items, and deposit adjustments.

Retention of Check Images. Credit Union will retain any substitute checks it generates for seven (7) years.

Services Fees. Currently there is no monthly fee for the Mobile Deposit Service. You agree to pay all fees and charges for deposit services as set forth on the Rate and Fee Schedule. All Service Fees are subject to change by Credit Union upon thirty (30) days written notice to Member.

Disclaimer of Warranties. MEMBER ACKNOWLEDGES THAT THE MOBILE DEPOSIT SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM YOUR USE OF THE MOBILE DEPOSIT SERVICE. THE CREDIT UNION MAKES NO AND EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICE INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CREDIT UNION DISCLAIMS ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICE (INCLUDING, WITHOUT LIMITATION, THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). MEMBER FURTHER ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. MEMBER HEREBY ASSUMES ALL RISKS RELATING TO THE FOREGOING.

CREDIT UNION'S LIABILITIES. THE CREDIT UNION'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES SUSTAINED BY MEMBER AND ONLY TO THE EXTENT SUCH DAMAGES ARE A DIRECT RESULT OF THE CREDIT UNION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; PROVIDED THAT THE MAXIMUM AGGREGATE LIABILITY OF THE CREDIT UNION RESULTING FROM ANY SUCH CLAIMS SHALL NOT EXCEED ONE HUNDRED DOLLARS. IN NO EVENT SHALL THE CREDIT UNION BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND INCLUDING LOST PROFITS WHETHER OR NOT THE CREDIT UNION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. THE CREDIT UNION'S LICENSORS OR SUPPLIERS WILL NOT BE SUBJECT TO ANY LIABILITY TO MEMBER IN CONNECTION WITH ANY MATTER.

You will notify Credit Union of any errors, omissions, or interruptions in, or delay or unavailability of, the Services as promptly as practicable, and in any event within one business day after the earliest of discovery thereof, or the date discovery should have occurred through the exercise of reasonable care, and, in the case of any error, within fourteen (14) days of the date of the earliest notice to you which reflects the error. Your failure to notify Credit Union of any error, omission, or other discrepancy within seven (7) days from the date of a loss shall relieve Credit Union of any liability for such error, omission, or discrepancy.

You acknowledge and agree that Credit Union shall not be liable for any damages or loss of any kind resulting from any unintentional error or omission by Credit Union in performing the Service, in accordance with or unintentional deviation from the terms and conditions of this Agreement. You acknowledge that Credit Union's systems and procedures established for providing the Service are commercially reasonable.

Credit Union shall have no liability to you, or any other person or entity for any loss, damage, cost, or expense arising out of this Agreement or the Service regardless of the form in which asserted, whether in contract, tort (including negligence), warranty, or any other legal or equitable grounds, and regardless of whether the remedies available fail of their essential purpose, except as provided by applicable law for any error or delay in performing the Service provided for in this Agreement, and we shall have no liability for not effecting a transaction, if:

- We receive actual notice or have reason to believe that you filed or commenced a petition or proceeding for relief under any bankruptcy or similar law;
- The ownership of funds involving a transaction is in question;
- We suspect a breach of the security procedures;
- We suspect that your account has been used for illegal or fraudulent purposes; or
- We reasonably believe that a transaction is prohibited by federal law or regulation, or otherwise so provided in the Agreement.

Credit Union will not be liable if Member fails to report timely any error or discrepancy reflected in an account statement prepared by Credit Union, or if Member fails to timely report a breach of a security procedure. If Credit Union fails to perform under this Agreement in accordance with the standards set herein, Credit Union's liability for damages, losses, and other compensation owing to you will be limited as set forth above.

FORCE MAJEURE

The Credit Union shall not be responsible for liability, loss, or damage of any kind resulting from any delay in the performance of or failure to perform its responsibilities hereunder due to causes beyond the Credit Union's reasonable control.

TERMINATION

Either party may terminate this Agreement upon not less than ten (10) days prior written notice to the other party. Notwithstanding any such notice of termination, this Agreement shall remain effective in respect of any transaction occurring prior to such termination. Upon any termination of this Agreement, (i) you will immediately cease using the Services, and (ii) you will promptly remit all unpaid monies due under this Agreement. The Credit Union may immediately suspend or terminate your access to the Services in the event that the Credit Union reasonably determines such suspension or termination is necessary in order to protect the Services or the Credit Union from harm or compromise of integrity, security, reputation, or operation.

MODIFICATION OF SERVICES

Credit Union reserves the right to modify the Services from time to time without making prior notice to Member, provided, however, that Credit Union will use commercially reasonable efforts to give you at least thirty (30) days notice prior to making any modifications to the Services that would materially alter their functionality.

