

POLAM Federal Credit Union

Mobile Remote Deposit Capture Agreement

This agreement contains the terms and conditions for the use of the POLAM Federal Credit Union Mobile Remote Deposit Capture and/or other remote deposit capture services that POLAM Federal Credit Union or its affiliates (“PFCU”, “us”, or “we”) may provide to you (“you”, or “we”). Other agreements that you have entered into with PFCU, including Depository Agreement and Disclosures governing your PFCU account, are incorporated by reference and made part of this agreement. By accepting this agreement, you agree to the terms set forth within and agreed to be subject to restrictions as set forth in this agreement. This agreement applies to Mobile Remote Deposit Capture (“Service”) which includes image transmission of paper negotiable instruments as defined as an eligible item.

1. General terms/Service. This Service is designed to allow you to make a deposit to your checking, and savings accounts from home or other remote locations by taking images of checks and delivering images and the associated deposit information to PFCU. You may use the Service only for non-business, personal use in accordance with this agreement. This agreement applies to consumer accounts only.

2. Acceptance of these terms. Your use of the services constitutes your acceptance of this Agreement. This Agreement is subject to change as determined by PFCU and we will notify you of any material changes through previously agreed upon communication methods including electronic communication. Your continued use of this service will indicate your acceptance of the revised Agreement. Further, PFCU reserves the right, at its sole discretion, to change, modify, add, or remove portions from the services. Your continued use of this service will indicate your acceptance of the revised Agreement.

3. Limitations on Service. When using the Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. The Service has qualification requirements and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend, or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice.

4. Limits. Mobile Remote Deposit Capture are limited to:

- \$2,500 per item deposit

- \$5,000 per day

If we permit deposits in excess of these limits, they are still subject to the terms of this agreement and we are not obligated to allow such a deposit at other times. We may adjust these limits at any time without prior notice.

5. Eligibility. To be eligible for the Service you must have the following services at the credit union:

- Mobiliti™ application for POLAM Federal Credit Union; and

- Checking account in good standing

Termination of these services or abuse/misuse of the Service product may result in the removal of mobile access by the credit union.

6. Ineligible Accounts. The credit union does not allow Mobile Remote Deposit Capture for the following account types

- Business Accounts
- Any Retirement Accounts
- Share Certificates

7. Eligible Items. You agree to image and deposit only “checks” as that term is defined in Federal Reserve Regulation CC (“Reg CC”). You agree that the image of the check transmitted to PFCU shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code.

8. Ineligible Items. You agree that you will not use the Service to scan and deposit any checks or other items as shown below:

- Checks or items payable to any person or entity other than you.
- Checks or items payable to you and another party who is not a joint on the account.
- Checks payable to a business, organization, or estate.
- Third party checks (e.g., a check payable to someone else, endorsed and signed over to you)
- Checks that are incomplete (e.g., any item that does not contain the signature of the maker, endorsement signature(s), or other required information).
- Check or items containing obvious alteration to any of the field on the front of the check or item, 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 or item is drawn.
- Checks or items previously converted to a substitute check, as defined by Reg CC.
- Check or items drawn on a financial institution located outside the United States.
- Checks or items that are remotely created checks as defined in Reg CC.
- Checks or items not payable in United States Currency.
- Checks payable to “Cash”, “POLAM Federal Credit Union”, or “Polish-American FCU”.
- Starter or counter checks.
- Money orders, travelers checks or Amex gift cheques.
- Checks or items dated more than 6 months prior to the date of the deposit or with an earlier restrictive date.
- Checks or items that are post-dated and deposited prior to the date on that item.
- Checks that have previously been returned unpaid for any reason.
- Duplicate items - such as checks that have been previously deposited remotely at another financial institution.

- Checks prohibited by PFCU current procedures relating to the Services or which are otherwise deemed unacceptable, in PFCU's sole and absolute discretion.

9. Image Submission. The image submitted must be clear and legible, with the five items of negotiability, the payor and MICR lines on the check must also be legible to the credit union for processing. The image quality must meet the standards, as amended from time to time, established by the American National Standards Institute, the Board of Governors of the Federal Reserve, or any other regulatory agency, clearing house or association. Items not meeting specific standards as determined by system identification and or Credit Union standards are subject to rejection. If you have endorsed an item that has been rejected for submission through Service those items must be presented in person at one of our locations.

10. Endorsements. All checks submitted for deposit must be endorsed with the following restrictive endorsement: "For Mobile Deposit Only at POLAM FCU" with your signature or as otherwise instructed by PFCU. The credit union will not accept third party checks through mobile deposit capture. All Endorsements must be in either blue or black ink as required for processing.

11. Receipt of Deposit. All images processed for deposit through Service will be treated as "deposits" under your current Account Agreement with us and will be subject to all terms of the Account Agreement. When we receive an image through the system, the system will notify you to of receipt of the image. **Receipt of the image does not mean that the item contains no errors and may not be rejected.** We reserve the right, at our sole and absolute discretion, to reject any image for deposit into your account. The manner in which the items are cleared, presented for payment, and collected shall be in PFCU's sole discretion subject to the Depository Agreement and Disclosures governing your account. We are not responsible for images or items which we do not receive. Items that are received after 1:00 pm Pacific Time will be processed on the next business day.

12. Retention of the Negotiable Instrument. You should securely retain the original checks(s) (deposited items) for a period of no less than 60 days. You agree that you will never re-present the original check unless specifically requested by the credit union. In the event that an item cannot be read through the Service process, the credit union may request the payee to submit the paper item for processing. After the end of the retention period, the original items should be destroyed writing "VOID" on the front of the check and then destroying it by crosscut shredding.

13. Errors. Notify us (800) 404-5137 as soon as possible, if you believe your statement is incorrect, or if you need more information about a transaction listed on the statement. You agree to notify PFCU of any suspected errors regarding items deposited through the Service right away, and in no event later than 60 days after the applicable PFCU account statement. If you do not notify us within 60 days from the date your statement was sent to you, you may not be compensated for any loss.

14. Risk of Loss. In the event of a system failure or interruption, your data may be lost or destroyed. Any remote deposit that you initiated, were in the process of completing, or completed shortly before a system failure or interruption should be verified by you through means other than online to ensure the accuracy and completeness of such transaction(s). You assume the risk of loss of your data during any system failure or interruption and the responsibility to verify the accuracy and completeness of any remote deposit so affected.

15. Hardware and Software. In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by PFCU from time to time. See POLAM.ORG for current hardware and software specifications. PFCU is not responsible for any third party software you may need to use the Service. Any such software is accepted by you “as is” and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

16. Ownership & License. You agree that PFCU retains all ownership and proprietary rights in the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Service (i) in any anti-competitive manner,

(ii) for any purpose which would be contrary to PFCU’s business interest, or (iii) to PFCU’s actual or potential economic disadvantage in any aspect. You may use the Services only for non-business, personal use in accordance with this Agreement. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.

17. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES

(i) WILL MEET YOUR REQUIREMENTS,

(ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE,

(iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE,

(iv) ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

18. LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICE INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF KFCU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

19. User warranties and indemnification. You warrant to PFCU that:

a. You will only transmit eligible items that are properly endorsed.

b. Images will meet the image quality standards.

c. You will not transmit duplicate items.

d. You will not deposit or represent the original item.

e. All information you provide to PFCU is accurate and true.

f. You will comply with this Agreement and all applicable rules, laws and regulations.

You agree to indemnify and hold harmless PFCU from any loss for breach of this warranty provision.

20. Other terms. You may not assign this Agreement. This Agreement is entered into in LOS ANGELES, CA and shall be governed by the laws of the State of California and of the United States. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.