

## 20<sup>TH</sup> CENTURY FOX FEDERAL CREDIT UNION

### MOBILE CHECK DEPOSIT DISCLOSURE

Mobile check deposit (MCD) is designed to allow you (accountholder) to make deposits of checks ("original checks") to your accounts from home or other remote locations by scanning the original checks and delivering the digital images and associated deposit information ("images") to 20<sup>th</sup> Century Fox Federal Credit Union (TCFFCU, we, our, or us) or our processor with your Mobile Device. You will access MCD through TCFFCU Mobile Banking application once you have been approved based on the below qualifications which may change from time to time without prior notice.

**To qualify for Mobile check deposit**, you must be age 18 or older, be a TCFFCU member for at least sixty (60) days, have online banking access, and have either an Android-powered smartphone or iPhone loaded with the free TCFFCU Mobile Banking application. You must also be a member in good standing, and meet other pre-determined qualifying factors as we determine.

**Accountholder's Indemnification Obligation.** You understand and agree that you are required to indemnify TCFFCU and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from my use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

**Accountholder's Warranties.** You make the following warranties and representations with respect to each image:

1. Each image of a check transmitted to TCFFCU is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
2. The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
3. You will not deposit or otherwise indorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
4. Other than the digital image of an original check that you remotely deposit through your Services, there are no other duplicate images of the original check.
5. You have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
6. You are authorized to enforce each item transmitted or am authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
7. You have not knowingly failed to communicate any material information to TCFFCU.
8. You have possession of each original check deposited using the Services and no party will submit the original check for payment.
9. Files and images transmitted to TCFFCU will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.
10. You will not use the Services and/or my accounts with TCFFCU for any illegal activity or transactions.
11. With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule.

**Audit/Inspection Rights.** If you use the Services for any TCFFCU business accounts, we may, at any time and upon reasonable notice to you, inspect your practices and controls and/or require reasonable documentation from you to verify that you have complied with your obligations pursuant to this Agreement.

**Business Days.** Our business days and hours are (except holidays), Monday through Friday, 8:30am to 3:30pm, Pacific Standard Time.

**Change in Terms.** We may change the terms and charges for the Services indicated in this Disclosure and Agreement by notifying you of such change and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. Your use of the Services after receipt of notification of any change by us constitutes your acceptance of the change.

**Charges for Use of the Services.** All charges associated with the Services are disclosed in our Fee Schedule which is incorporated into and made a part of this Disclosure and Agreement.

**Check Requirements.** Any image of a check you transmit to us must accurately and legibly provide all the information on the front and back of the check at the time presented to us by the drawer. Prior to capturing the original check and to avoid rejection of your check(s), please endorse your checks as follows: **(1) YOUR SIGNATURE (2) "FOR MOBILE DEPOSIT ONLY" (3) YOUR ACCOUNT NUMBER AND (4) OUR CREDIT UNION NAME – "TCFFCU"**. If the back of the check is not properly endorsed, we reserve the right to reject the check for deposit. The image of the check transmitted to us must

accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying credit union/bank preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association. Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

A check payable to two payees must be endorsed by both payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and your joint owner, both of you must endorse the check.

**Compliance with Law.** You agree to use the products and Service for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of my business if applicable. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations. You promise to indemnify and hold us harmless from any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof. This indemnity will survive termination of my Account and this Agreement.

**Confidentiality.** You acknowledge and agree that confidential data relating to our Services, marketing, strategies, business operations and business systems (collectively, "Confidential Information") may come into your possession in connection with this Disclosure and Agreement. You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of our Confidential Information.

**Email Address.** You agree to notify us immediately if you change your email address, as this is the email address where we will send you notification of receipt of MCD items. It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made to your email by accessing the "Self Service" tab inside online banking. Please contact TCFFCU to make changes to name, address, and phone numbers.

**Errors.** In the event that you believe there has been an error with respect to any original check or image thereof transmitted to TCFFCU for deposit or a breach of this Agreement, you will immediately contact TCFFCU regarding such error or breach as set forth below.

**Telephone:** (310) 432-2344

**E-mail:** msr@foxcredit.com

**Mail:** 20<sup>th</sup> Century Fox Federal Credit Union, P.O. Box 641849, Los Angeles, CA 90064

**Financial Information.** You must inform us immediately of any material change in your financial circumstances or in any of the information provided in your Application for any Remote Banking services. You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your history from time to time.

**Funds Availability.** Funds from any deposit made using Mobile check deposit may not be available until the second (2nd) business day after the day of your deposit.

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 3:00 pm Pacific Standard Time 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 12:00 am (midnight) Pacific Standard Time, 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 (1st) business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the seventh (7th) business day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the first (1st) business day after the day of your deposit, 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 or electronically deliver the notice, if you have agreed to receive notices from us in an electronic format, by the business day after we receive your deposit as long as the deposit is made before the established daily cut-off time.

If you will need the funds from a deposit immediately, 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:

1. We believe a check you deposit will not be paid.
2. You deposit checks totaling more than \$5,000 on any one day.
3. You redeposit a check that has been returned unpaid.
4. You have overdrawn your account repeatedly in the last six (6) months.
5. There is an emergency, such as failure of communications or computer 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 seventh (7th) business day after the day of your deposit.

**Special Notice Regarding Endorsement Standards:**

The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing your deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing you) can be used by you for endorsements or any other markings.

We will not be responsible for any damages incurred in the event you deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by you or a prior endorser on the back of the check.

**Internal Controls.** You understand and agree to adhere to the following Internal Controls: To prevent unauthorized usage of the Service, you agree to ensure the security of the mobile device and/or personal computer that you own and use for the Service. By securing these devices, you specifically mean installing operating system patches, antivirus software, firewall and spyware detection, as applicable, and keeping this security software current, as well as, securing the physical device from theft or unauthorized use. Additionally, you understand that TCFFCU may require additional controls as needed in the future. If you allow your agent or employee to use the Services, you understand and agree that you are responsible for any loss or damage resulting from your agent's or employee's use of the Services even if such use is beyond what you authorized. You must notify us immediately of any breach of your Internal Controls and/or security of your mobile device or computer.

**Deposited Items Returned Unpaid.** In the event that an item that you transmit to us for remote deposit for credit to your Account is dishonored, rejected, or returned for any reason, you authorize us to debit the amount of the item from your Account, or offset the amount from any of your other accounts, and assess appropriate fees per our Fee Schedule. You understand that returned deposit activity may result in the cancellation of your Mobile check deposit privileges. You will be notified of any returned items.

**Items that are Eligible for Deposit.** You agree to scan and deposit only checks (i.e., drafts drawn on a credit union, savings and loan or bank and payable on demand.)

**Items NOT acceptable for Deposit.** You agree that you will **NOT** use MCD to deposit:

1. Any item drawn on my account or my affiliate's account.
2. Any item that is stamped with a "non-negotiable," "void," or any other word or phrase indicating that the item is not valid.
3. Any item that contains evidence of alteration to the information on the check.
4. Any item issued by a financial institution in a foreign country or in a U.S. territory other than Puerto Rico.
5. Any item that is incomplete.
6. Any item that is "stale dated" or "post dated."
7. Savings Bonds.
8. Any third party check, i.e., any item made payable to another party and then endorsed to me by such party.
9. Traveler's Checks
10. Any item made payable to "Cash."

**Limits – Consumer Account.** Mobile Deposits are subject to change at any time without prior notice and are limited to the following:

- Per deposit, \$500, per day, \$2,000

**Limits – Business Account.** Mobile Deposits are subject to change at any time without prior notice and are limited to the following:

- Per deposit, \$500, per day, \$2,000

**Original checks.** After you receive confirmation that we have received an image, you must securely store the original check for 90 (ninety) calendar days after transmission to us and make the original check accessible to us at our request. During the time you maintain the original check, you understand and agree that you must use a high degree of care to protect the original checks against security risks. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks. Upon our request from time to time, you will deliver to us within 7 (seven) calendar days, at your expense, the requested original check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after such period expires, you must destroy the original check *by first marking it "VOID" and then destroying it by cross-cut shredding or another commercially acceptable means of destruction.* After destruction of an original check, the image will be the sole evidence of the original check.

You agree that you will never re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

**Periodic Statement.** Any remote deposits made through the Services will be reflected on your monthly account statement. You understand and agree that you are required to notify us in writing of any error relating to images transmitted using the Services by no later than 60 days after you receive the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

**Receipt of Deposit.** All images processed for deposit through MCD will be treated as "deposits" under your current Membership and Account Agreement with us and will be subject to all terms of the Membership and Account Agreement. When we receive an image, we will confirm receipt via email to you. We shall not be deemed to have received the image for deposit until we have confirmed receipt to you. Confirmation does not mean that the image contains no errors. We are not responsible for any image that we do not receive.

Following receipt, we may process the image by preparing a "substitute check" or clearing the item as an image.

We reserve the right, at our sole and absolute discretion, to reject any image for remote deposit into your account. We will notify you via email of rejected images.

**Rejection of Deposit.** You understand and agree that even if we do not initially reject an item deposited through the Services, we may return the substitute check we created or the item for any reason, including but not limited to, the paying credit union/bank returning an item unpaid. We are not liable for any service or late charges levied against us due to our rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

**Relationship.** This Disclosure and Agreement does not create, and shall not be construed to create, any joint venture or partnership between the parties. No officer, employee, agent, servant, or independent contractor of either party shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.

**Relationship to Other Disclosures.** The information in these Disclosures applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

**Requirements.** Each image must provide all information on the front and back of the original check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying bank that is preprinted on the original check, MICR information, signature(s), any required identification written on the front of the original check and any endorsements applied to the back of the original check. The image quality must meet the standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

**Responsibility.** You are solely responsible for the quality, completeness, accuracy, validity and integrity of the image. You are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us or if MCD is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

In addition you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, copy or reproduce all or any part of the technology or Service; or interfere, or attempt to interfere, with the technology or Service. We and our technology partners, inclusive of, but not limited to Fiserv, retain all rights, title and interests in and to the Services, Software and Development made available to you.

**Returned Deposits.** Any credit to your account for checks deposited using MCD is provisional. If original checks deposited through MCD are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, issues relating to the quality of the image, you agree that an original check will not be returned to you, but that we may charge back the amount of the original check and provide you with an image of the original check, a paper reproduction of the original check or a substitute check. You will

reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned item. Without our approval, you shall not attempt to deposit or otherwise negotiate an original check if it has been charged back to you.

We may debit any of your accounts to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

**Securing Images on Mobile Devices.** When using TCFFCU Mobile Banking applications, you understand that check images captured using your mobile device are stored on the device only until the associated deposit has been successfully submitted. You agree to promptly complete each deposit. In the event that you are unable to promptly complete your deposit, you agree to ensure that your mobile device remains securely in your possession until the deposit has been completed or to delete the associated images from the application.

**Security.** You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately by telephone at (310) 432-2344 if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit and monitor you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

**Termination of the Services.** You may, by written request, terminate the Services provided for in this Disclosure and Agreement. We may terminate your use of the Services at any time upon written notice. In the event of termination of the Services, you will remain liable for all transactions performed on your Account.

**Unavailability of Services.** You understand and agree that the Services may at times be temporarily unavailable due to our system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event Services are unavailable, you acknowledge you can deposit an original check at our branches or through our ATMs or by mailing the original check to TCFFCU at **P.O. Box 641849, Los Angeles, CA 90064**. It is your sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by us. However, we will notify you of items that are rejected following the rejection.

**Use of the Services.** Following receipt of our notification approving your use of the Services, you authorize us to remotely deposit paper checks we receive to your account with us (the "Account") by electronically transmitting a digital image of the paper checks to us for deposit. Your use of the Services constitutes your acceptance of the terms and conditions of this Disclosure and Agreement. Upon receipt of the digital image, we will review the image for acceptability. You understand that, in the event you receive a notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive. Following receipt of the image, we may process the image by preparing a "substitute check" or clearing the item as an image. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your Account. You understand that any amount credited to your Account for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check.

In addition you agree you will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.

## **DISCLAIMERS:**

**DISCLAIMER OF WARRANTIES.** YOU AGREE THAT YOUR USE OF ANY REMOTE DEPOSIT 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 ANY REMOTE DEPOSIT SERVICE, 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 ANY REMOTE DEPOSIT WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY REMOTE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.

**Limitation of Liability.** YOU UNDERSTAND AND AGREE THAT TCFFCU IS NOT RESPONSIBLE FOR ANY INDIRECT, CONSEQUENTIAL, PUNITIVE, OR SPECIAL DAMAGES ARISING FROM YOUR USE OF THE SERVICES, REGARDLESS OF WHETHER YOU HAVE ADVISED TCFFCU OF THE POSSIBILITY OF SUCH DAMAGE OR LOSS. TCFFCU ALSO WILL NOT BE RESPONSIBLE FOR ANY DAMAGES ATTRIBUTABLE TO YOUR BREACH OF THIS DISCLOSURE AND AGREEMENT. IN ADDITION, IF YOU USE THE SERVICES FOR BUSINESS PURPOSES, YOU UNDERSTAND AND AGREE THAT TCFFCU'S LIABILITY FOR DIRECT DAMAGES WILL NOT EXCEED \$500.

**Force Majeure.** You understand and agree that TCFFCU is not responsible or liable for any loss, liability, damages, expenses, or cost of any kind resulting from any delay in the Services due to causes beyond your reasonable control, including without limitation, 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 TCFFCU's control.

**Governing Law.** You understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. You also agree to submit to the personal jurisdiction of the courts of the State of California.

**Waiver.** The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.

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