

Electronic Services Agreement

THIS DOCUMENT CONTAINS
IMPORTANT LEGAL INFORMATION,
DISCLOSURES AND TERMS YOU
SHOULD KNOW.

PLEASE RETAIN THIS DOCUMENT
FOR YOUR RECORDS.

Effective: January 1, 2018



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Phone 800-222-1226 Fax 323-980-5988
www.fafcu.org

This credit union is federally insured
by the National Credit Union
Administration.

Electronic Services Agreement

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WELCOME TO F&A FEDERAL CREDIT UNION

Thank you for opening your account with F&A Federal Credit Union. We look forward to serving you.

ABOUT THIS AGREEMENT

This Electronic Services Agreement (hereinafter referred to as "Agreement") is a contract between you and us that provides important information about the electronic services we make available to you. In this Agreement, the words "you," "your" and "yours" mean each and all of those (whether one or more persons) who are subject to this Agreement as a result of electronically transferring funds involving a deposit account at F&A Federal Credit Union. The words "we," "us," "our" and "Credit Union" mean F&A Federal Credit Union. By using any of the electronic services we make available, you and anyone else identified as an owner of the account agree to the terms in this Agreement.

We provide a variety of electronic funds transfer (EFT) services for deposit accounts. EFTs are electronically initiated transfers of money involving a deposit account at the Credit Union and multiple access options, such as online account access, mobile banking, direct deposits, ATMs, and debit card. Your acceptance, signature, retention or use of (or by authorizing another person to sign or use) a Visa debit card or any of the online services we provide constitutes an agreement between us and you as described below.

You understand and agree that the agreements, terms, conditions, rules and regulations applicable to your savings account(s), checking account(s), Visa credit card, Line of Credit, and any other applicable accounts remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement.

You should retain a copy of this Agreement (and any information that the Credit Union provides you regarding changes to this Agreement) for as long as you maintain your account with us.

PART 1

ELECTRONIC FUND TRANSFER SERVICES WE OFFER

1. Visa Debit Cards

As a condition of opening certain checking accounts, you agree that we may automatically issue you a Visa debit card. However, you are not required to activate the debit card to keep your checking account open. You understand that a debit card is not a credit card and does not provide "credit" which means that you may not defer payment of debit card transactions. You can use your Visa debit card as follows:

Participating Network Transactions:

- Deposit cash or checks to your savings and checking accounts

- Withdraw cash from your savings and checking accounts
- Balance inquiries on your savings and checking accounts

**ATM Transactions at F&A Federal Credit Union
Proprietary ATMs (those owned and operated by
F&A Federal Credit Union):**

- Deposit cash or checks to your savings and checking accounts
- Withdraw cash from your savings and checking accounts
- Transfer funds between your savings and checking accounts within the same account number
- Check your balances on your savings and checking accounts

Some of these services may not be available at all F&A Federal Credit Union ATMs. Also, ATM services may be limited on certain ATMs which we do not own (non-proprietary), such as, for example, withdrawal limits. If a transaction or service type is not available, the attempted transaction will generally be refused as an invalid transaction.

You can use your Visa debit card at participating merchants to:

- Purchase goods and services at places that accept Visa debit cards. Purchases are debited from your checking account. If you have arranged with a merchant to make recurring payments, you must notify the merchant if your debit card number or expiration date has changed or your debit card is closed.
- Withdraw cash while making a purchase if the merchant permits the cash-back option.

At participating financial institutions to:

- Withdraw funds at a teller. Withdrawals are debited from your checking account.

Refer to Part 3 (Visa Debit Cards) of this Agreement for more information about Visa debit cards.

2. Online Banking and Bill Payment Service

Online Banking is our electronic banking service that allows you to access your accounts without assistance from our staff by using our Internet website and your online banking PIN. The Bill Payment service is an electronic method of paying bills. You must have a checking account with us to use the Bill Payment services. If you would like to take advantage of the Online Banking and Bill Payment services, visit our website and enroll with your eligible Credit Union accounts.

Refer to Part 7 (Online Banking) of this Agreement for more information about Online Banking and the Bill Payment Service.

3. Mobile Banking

Mobile Banking is a service that allows you to access your Credit Union account information, products and services similar to Online Banking and engage in such other financial transactions using compatible and supported mobile devices. All features and services available through Online Banking may not be available via Mobile Banking.

Refer to Part 7 (Online Banking) of this Agreement for more information about Mobile Banking.

4. Mobile Deposit

The Mobile Deposit Service is designed to allow you to make deposits to your designated eligible accounts using a compatible mobile wireless device to photograph an image of an original paper check that is drawn on or is payable through a United States financial institution and to electronically submit a digital image of such paper check to us.

Refer to Part 7 (Online Banking) of this Agreement for more information about the Mobile Deposit Service.

5. Home Deposit

The Home Deposit Service is designed to allow you to make deposits to your designated eligible accounts by logging in to Online Banking and posting certain check deposits using the F&A Home Deposit icon. You must enroll in the Home Deposit Service via Online Banking.

Refer to Part 7 (Online Banking) of this Agreement for more information about the Home Deposit Service.

6. ACH Transactions

You can send or receive electronic transfers to or from your accounts by providing another party your checking account number and our routing number. We may transfer funds by ACH or other similar networks. Electronic transfers require your authorization and may take various forms, including:

- Direct deposits, such as employer payroll or government benefits;
- One-time or recurring charges to your account for bill payments;
- A “check conversion” transfer, where a merchant or other payee creates an electronic transfer from your paper check. The merchant may keep your check or return it to you.

We may offer new EFT services in the future.

PART 2

TERMS AND CONDITIONS APPLICABLE TO ALL ELECTRONIC SERVICES

Our Business Days

Our business days are Monday through Friday, except federal holidays. Our business hours are 9:00 a.m. to 4:00 p.m. Pacific Time, Monday through Friday. Our telephone service hours are Monday, Tuesday, Thursday and Friday, 8:00 a.m. to 5:00 p.m. Our telephone service hours on Wednesday are 9:00 a.m. to 5:00 p.m. Pacific Time. Branch hours and holiday schedules may be obtained on our website (www.fafcu.org). Our proprietary ATMs are generally available 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties. Electronic services are generally available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties, including those of the Internet service provider and Internet software. We do not assume any responsibility for any technical or other difficulties or any resulting damages that you incur.

Disclosure of Account Information to Third Parties

Information about your account or the transactions you make will be disclosed to third parties:

- When it is necessary to complete an electronic transaction;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with a government agency, court order, or any legal process;
- With your written permission; or
- As permitted by our Privacy Notice.

Your Right to Receive Documentation of EFT Transactions

1. **Terminal Transfers.** In most cases, you will receive a receipt at the time you make any transfer to or from your account using an ATM or when you make a purchase using a POS terminal. You should retain this receipt to compare with your statement from us. Federal law provides that for certain small dollar transactions at merchant locations, you may not receive a receipt.
2. **Periodic Statements.** We will provide a monthly periodic statement if you have an EFT in that period. If you do not, we will provide at least quarterly periodic statements, unless your account is considered inactive.
3. **Preauthorized Deposits.** If you have arranged to have preauthorized electronic deposits of your net paycheck, payroll deductions, pension checks or federal recurring payments (e.g., Social Security payments) made to your account at least once every sixty (60) days from the same person or company, you will receive a monthly periodic statement for each month in which a preauthorized deposit is made, but at least quarterly if

no preauthorized deposits are made. However, if the only electronic service you have with us is preauthorized deposits, then we reserve the right to send you a quarterly statement only.

- 4. Online Banking Transactions.** You may print a record of any individual transactions conducted through Online Banking at any time after the transactions is completed.

Personal Identification Numbers (PIN)

You understand that you cannot use your Visa debit card, Online Banking and certain other electronic services we offer without an applicable identification number (including but not limited to, a username and/or password), which we collectively refer to as a PIN, and/or biometric authentication, such as your fingerprints. You are responsible for the safekeeping of your PINs. If you forget your PIN, you may contact us and we will issue a Replacement PIN or assist in resetting your PIN. When you use your PIN, you authorize us to withdraw funds from your account to cover such transactions. Your PINs are confidential and should not be disclosed to third parties or recorded. You agree to notify us immediately and send written confirmation if your PINs are disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your account(s) if any unauthorized person gets access to the PIN. If you disclose your PINs to anyone, however, you understand that you have given them access to your account(s) and you are responsible for any transactions that person authorizes or conducts on any of your accounts, even if that person exceeds your authority. If you authorize anyone to use your PIN in any manner that authority will be considered unlimited until you specifically revoke such authority by notifying the Credit Union and changing your PIN immediately.

Your Liability for Unauthorized Transactions and Advisability of Prompt Reporting

You must tell us AT ONCE if you believe your checks, debit card and/or PIN for any electronic service has been lost or stolen or if you believe that an EFT has been made without your permission using information from your check. Calling us is the best way of keeping your possible losses down. A written notification to us should follow your telephone call. You could lose all the money in your account (plus your maximum overdraft Line of Credit, if you have one, and/or the funds in a linked account).

If you believe your checks, debit card and/or PIN has been lost or stolen, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your check(s) (in an Electronic Check Transaction), your debit card and/or PIN to access your account without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your checks, debit card and/or PIN and we can prove we could have stopped someone from using your check(s) (in an Electronic Check Transaction) and/or your debit card and/or PIN without your permission if you had told us, you could lose as much as \$500.00.

Also, if your periodic statement shows EFTs that you did not make, including those made by debit card, PIN or other means, you must tell us at once. If you do NOT tell us within

sixty (60) days after the statement was mailed or delivered to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. Claims of unauthorized transactions can be made only in connection with posted and settled transactions. You agree to reasonably cooperate with our investigation into any claims of unauthorized transactions, including but not limited to, providing us with all requested information supporting your claim.

If you can document that a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time period.

Special Provisions for Visa Debit Card Transactions (Zero Liability Protection)

You are not liable for any unauthorized transactions made using your Visa debit card provided you:

- Exercised reasonable care in safeguarding your Visa debit card from any unauthorized use;
- You promptly report to us any loss or theft of the Visa debit card; and
- You notify us of the unauthorized transactions within sixty (60) days after we send you the first periodic statement on which the transaction appeared.

We may increase the amount of your liability for unauthorized Visa debit card transactions if we reasonably determine, based on substantial evidence, that you were fraudulent or negligent in the handling of your account or the Visa debit card.

How to Notify the Credit Union in the Event of an Unauthorized Transaction

If you believe your checks, debit card and/or PIN have been lost or stolen or that someone will or may use it to transfer money from your account(s) without your permission, you must telephone us at: (800) 222-1226, or after business hours for Visa debit cards at (800) 682-6075, or write us at: F&A Federal Credit Union, P.O. Box 30831, Los Angeles, CA 90030-0831. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission. You may also log in to Online Banking and access "Block my Card."

In Case of Errors or Questions about your Electronic Funds Transfers

If you think your periodic statement is wrong, or if you need more information about a transaction listed on it, call or write to us at the telephone number or address listed on the back of this booklet, as soon as you can. We must hear from you no later than sixty (60) days after we send you the FIRST periodic statement on which the problem or error appeared. You must:

- Tell us your name and account number;
- Describe the error or the transaction you are unsure about and explain, as clearly as you can, why you believe it is an error or why you need more information; and
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within ten (10) business days, we may not credit your account.

In accordance with Visa Operating Rules and Regulations, you will receive provisional credit for Visa debit card losses for unauthorized use within five (5) business days after you have notified us of the loss in writing. However, see the section entitled "PIN-less Visa Debit Card Transactions" in Part 3 below for further details regarding Visa debit card transactions initiated through a non-Visa debit network.

You also understand and agree that it is your responsibility to carefully review each receipt or sales slip you receive when you conduct a Visa debit card transaction. In addition, you agree that, to the extent a Visa debit card transaction is initiated using your PIN or your signature on a sales slip, it is presumed that you authorized the transaction because the authorization was initiated through your PIN or by your signature on the sales slip. In such event, you understand and agree that the burden is on you to conclusively prove that the use of your Visa debit card and/or amount of the transaction was unauthorized.

For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. Your account is considered a "new account" for the first thirty (30) days after the first deposit is made, unless you already have an established account with us before this account is opened. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. If we provisionally credited your account, we will reverse the provisional credit and notify you of the date we reversed the credit and the amount of the debit. We will honor checks, drafts or similar instruments payable to third parties and preauthorized transfers from your account for five (5) business days after the notification. We are required to honor only items that we would have paid if the provisionally credited funds had not been debited. You may ask for copies of the documents that we used in our investigation.

Our Liability for Failure to Make or Complete Electronic Fund Transfers

If we do not properly complete an EFT to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses and damages. However, there are some exceptions. We will not be liable, for instance, if:

- Circumstances beyond our control (such as fire, flood, earthquake, electrical failure, malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions that we have taken;

- Through no fault of ours, you do not have enough money in your account (or sufficient collected funds) to complete the transaction(s);
- The funds in your account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;
- We received incorrect or incomplete information from you or from third parties (e.g., the U.S. Treasury, an automated clearing house, or a terminal owner);
- The ATM, network system or other electronic services system contemplated hereunder was not working properly and you knew about this breakdown when you started the transaction;
- The ATM where you were conducting the transaction did not have enough cash or cash in the denominations you requested;
- Your Visa debit card has been reported lost or stolen, has expired, is damaged so that the mechanical device cannot read the encoding strip or chip, is inactive due to non-use, is retained by us due to your misuse or suspected fraudulent activities, or is retained by us at your request;
- Any of your PINs have been repeatedly entered incorrectly;
- The transaction would exceed an unused line of credit (e.g., your overdraft Line of Credit limit or Visa Credit Card limit);
- Our failure to complete the transaction or the placement of a block on your account is done to protect the security of your account and/or the electronic terminal system;
- You make an error in keying your deposit at an ATM or through the Online Banking system (and if you make such error, we are not responsible for bounced checks, forfeited dividends, and other consequences which may result);
- A payee mishandles or delays a payment sent by the Bill Payment Service;
- Any transaction is prohibited by law, regulation, court order, or would be considered illegal activity; or
- You have not provided our Bill Payment Service provider with the correct names, phone numbers, or account information for those persons or entities to whom you wish to direct payment.

There may be other exceptions not specifically mentioned above.

Provided that none of the above-stated exceptions apply, if we cause an incorrect amount of funds to be debited from your account, or caused funds from your account to be transferred to a person or entity which does not comply with your instructions, we will be responsible for returning the improperly transferred funds to your account and for directing to the proper recipient any previously misdirected bill payments or transfers.

Fees for Electronic Fund Transfers

Fees for all EFT services are disclosed in our *Schedule of Fees and Charges*, which accompanies this Agreement and is incorporated herein by reference. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in our *Schedule of Fees and Charges* for each stop payment order you give. If you request a copy of documentation relating to an ATM or POS transaction

(except if the documentation is for resolution of a billing error), a fee equal to our reasonable cost of reproduction may be charged. Any fees charged will be deducted from your checking or savings account. The Credit Union reserves the right to increase or add new fees at a future date after we give you notice of such fees as required by law.

If you have been issued an additional Visa debit card for a joint owner or authorized user on your account, any applicable transaction fees outlined in our *Schedule of Fees and Charges* will be based on combined transactions. Withdrawals from more than one account or additional withdrawals from the same account during a single access will be counted as multiple withdrawals. Generally, transaction fees will be charged to your account within two (2) business days from the day they are incurred. The fee may not be recorded on the transaction receipt produced by the ATM, but it will be itemized on your periodic statement.

If you use an ATM that is not operated by us, you may be subject to additional fees imposed by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer).

Electronic Fund Transfer Limitations

Federal law limits the number of withdrawals you may make from your savings accounts. During each statement period, you may make up to six (6) preauthorized, automatic, telephonic, Online Banking, or Mobile Banking transfers to another of your accounts or to the account of any other person or organization. However, you may make an unlimited number of withdrawals from, or transfers among, your savings accounts by mail, messenger, or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your savings accounts through online banking if you request that we send you a check. Each transfer or payment through online banking from your savings account is counted as one of the six (6) limited transfers you are permitted each statement period. We recommend that you not use a savings account as your bill payment account because of these limits on transfers. The date we use to determine the number of transactions is the date a transaction is posted to your account, rather than the date you initiate the transaction. If you exceed these limitations in any statement period, we can refuse or reverse the transfer, reclassify or close your account, and charge a fee as stated in the *Schedule of Fees and Charges*.

Cancellation/Termination of Electronic Services

You may cancel any electronic service at any time by notifying us in writing and by actually discontinuing use of the electronic service. If you cancel any service requiring the use of a Visa debit card, you agree to cut up all such cards issued to you and dispose of them. If you ask us to cancel or terminate your account or the use of a Visa debit card (or any other access device), you will remain liable for subsequent transactions performed on your account. Cancellation by any one account owner will be binding on all account owners and we are not required to notify other account owners of the cancellation.

We reserve the right to terminate or suspend your access to electronic services, in whole or in part, at any time and for any reason. Electronic services may be suspended, without

advance notice, if there are insufficient funds in any one of your accounts or if you are deemed to be a member not in good standing as defined in our *Member Conduct and Limitation of Services Policy*. After suspension, electronic services may be reinstated, at our discretion, once there are sufficient funds in your accounts to cover any fees and other transfers and debits.

Your cancellation or our termination of electronic services does not terminate your accounts or agreements with us and will not affect your obligations under this Agreement, or any account or other agreement you have with us, or your obligations for transfers and payments made prior to cancellation or termination.

Notice and Communications

Except as otherwise provided in this Agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we make such notices available to you through Online Banking if you have agreed to receive notices from us in an electronic format. You are required to keep us informed of your current address and email address. You agree to notify us promptly of any change of address or email address. If you change your address, you may notify us in person at our office, via Online Banking or by sending a written and signed notice to: F&A Federal Credit Union, 2625 Corporate Place, Monterey Park, CA 91754. If you change your email address, you must update your email address in Online Banking.

Services not Covered by this Agreement

The information in this Agreement applies only to the electronic services described herein. Provisions in other disclosure documents, as may be amended by us from time to time, continue to apply, except to the extent expressly modified by this Agreement. In addition, we may offer additional EFT services besides those described in this Agreement that have separate agreements and disclosures.

Illegal Activities

You may not use your Visa Debit Card or any other access device or method (including ACH and electronic check transactions) for any illegal activity or to engage in any transaction that would constitute a crime under local, state or federal law, including without limitation any "racketeering activity" as defined in 18 U.S.C. § 1961. If an online merchant displays a payment card logo, that does not mean that transactions are lawful in all jurisdictions in which the cardholder may be located. You understand that you may not use your Visa Debit Card or any other access device or method to purchase any goods or services on the Internet that involve online gambling of any sort. Prohibited activity and transactions include, but are not limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. We may deny authorization of any transactions identified as gambling. However, in the event that a transaction described in this paragraph is approved and processed, you will still be responsible for such charges.

Waiver

Our delay in enforcing any of the terms and conditions of this Agreement will not prohibit us from enforcing such terms and conditions at a later date.

Changes to this Agreement

We reserve the right to change the terms of this Agreement, including any fees and features of your account, at any time. We will notify you about changes if required by applicable law. We may direct you to www.fafcu.org for the content of any changes or the revised Agreement unless the law requires a different method. You agree that notice of any changes may be provided to any joint owner. By maintaining your account and continuing to use electronic services after the effective date of any change, you agree to the change.

Assignment of Agreement

This Agreement will be binding on your personal representative, executors, administrators and successors, and on our successors and assigns. You may not assign, transfer or grant a security interest in your account to anyone other than us without our written consent. No assignment will be valid or binding on us.

Collections

You agree that we are entitled to recover any money owed by you as a result of your use of, or the use of anyone you have provided with access to, any of our electronic services and you agree to repay any amounts which create an overdraft balance immediately upon demand. We have a security interest in your present and future shares and have the right to apply such shares to any money you owe. If any legal action is required to collect money you owe, you agree to pay all costs of collections, including reasonable attorneys' fees, court costs, and other charges incurred for enforcing our rights under this Agreement.

Severability

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement will remain in full force and effect.

Rules Governing Your Account

This Agreement, all accounts and electronic services provided to you, and any dispute relating to those accounts and services are governed by federal law and, when not superseded by federal law, California law. Account transactions may also be subject to applicable clearinghouse rules and Federal Reserve rules and regulations.

Your Agreement to Indemnify Us

You agree to indemnify, defend, and hold us harmless from and against any and all claims, demands, actions, costs, losses, liability, expenses and fees (including, without limitation reasonable attorneys' fees, collection costs, skip-tracing fees, and outside services fees) which we incur by acting in accordance with this Agreement or as a result of your failure to abide by its terms.

LIMITATION OF OUR LIABILITY

YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT OR ANY

ELECTRONIC SERVICE PROVIDED TO YOU, REGARDLESS OF WHETHER YOU HAVE ADVISED US OF THE POSSIBILITY THAT YOU MAY INCUR SUCH DAMAGES.

DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

YOU UNDERSTAND AND AGREE THAT THE ELECTRONIC SERVICES ARE PROVIDED "AS-IS." YOU UNDERSTAND AND AGREE THAT USE OF THE ELECTRONIC SERVICES IS AT YOUR SOLE RISK, THAT ANY MATERIAL AND/OR DATA DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE ELECTRONIC SERVICES IS DOWNLOADED OR OBTAINED AT YOUR OWN DISCRETION AND RISK, AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGE TO YOUR COMPUTER SYSTEM OR MOBILE DEVICE OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OR THE OBTAINING OF SUCH MATERIAL AND/OR DATA.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, WE DISCLAIM ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF INTELLECTUAL PROPERTY OR THIRD PARTY RIGHTS, AND WE MAKE NO WARRANTY OR REPRESENTATION REGARDING THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE ELECTRONIC SERVICES, THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED THROUGH THE ELECTRONIC SERVICES, THE ACCURACY OF ANY INFORMATION RETRIEVED BY YOU FROM THE ACCOUNTS, OR THAT THE ELECTRONIC SERVICES WILL MEET ANY USER'S REQUIREMENTS, BE UNINTERRUPTED, TIMELY, SECURE OR ERROR FREE.

EXCEPT AS DESCRIBED IN THIS AGREEMENT, WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND RESULTING FROM YOUR USE OF, OR YOUR INABILITY TO USE, THE ELECTRONIC SERVICES, ANY INACCURACY OF ANY INFORMATION, ANY BREACH OF SECURITY CAUSED BY A THIRD PARTY, ANY TRANSACTIONS ENTERED INTO BASED ON THE ELECTRONIC SERVICES, ANY LOSS OF, UNAUTHORIZED ACCESS TO OR ALTERATION OF A USER'S TRANSMISSION OR DATA OR FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, USE, DATA OR OTHER INTANGIBLES, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

PART 3

VISA DEBIT CARDS

In this section, “Card” refers to your F&A Federal Credit Union Visa debit card and any duplicates, renewals, or substitutions the Credit Union issues to you, unless otherwise noted. The disclosures in this section apply to the use of your Card to conduct EFTs, including, but not limited to, use of the Card at ATMs and POS terminals. By use of your Card at ATMs and participating POS terminals, you authorize us to make withdrawals from your designated account for cash advances and/or purchases.

When you use your Card, you must follow the procedures established by the merchant or financial institution. You may be asked to sign a sales slip, withdrawal slip, or other document, or you may be asked to provide only your Card number. Some merchants impose a fee for Card transactions.

Account Access

You may use your Card to withdraw cash from your checking account by way of a cash advance from merchants, financial institutions, or others who honor the Card and/or to pay for purchases. However, we are not responsible for the refusal or inability of any ATM or POS terminal, merchant, or financial institution to honor the Card, to complete a transaction, or for their retention of the Card. You may also use your Card to withdraw cash from your share account using an ATM.

Ownership of the Card

Each account owner may have one Card to access your account without a charge. If your Card is lost or stolen, you may also be charged a *Replacement Card* or *PIN Fee*. These fees are set forth in the *Schedule of Fees and Charges*. The Card remains our property and you agree to surrender it to us upon demand.

We may cancel, modify, or restrict the use of any Card upon proper notice or without notice if:

- Any of your accounts are overdrawn;
- You use your Card in a manner which may cause a loss to us;
- Your account is inactive, which is defined by us as an account that has had no member-initiated transaction activity for eighteen (18) consecutive months (and if your checking account is inactive for twenty-four (24) consecutive months, we may close it);
- Any mail sent to your address is returned to us as undeliverable;
- Any email sent to you by us is returned as undeliverable;
- We are aware that you have violated any term of this Agreement, whether or not we suffer a loss; or
- Where necessary to maintain or restore the security of your account(s) or the POS system.

We also reserve the right to recall the Card through retrieval by any of the ATMs.

You may cancel your Card at any time by calling us at (800) 222-1226.

Deposits Made at an ATM

We accept deposits at an ATM subject to verification and collection by us. Such deposits may only be credited or withdrawn in accordance with our *Funds Availability Policy*. Deposits made at an ATM after the close of business each day will be considered made on our next business day. We are not responsible for delays in a deposit due to improper identification on the deposit envelope (if the ATM requires the use of a deposit envelope), inaccurate scanning of your deposit (if the ATM does not require the use of a deposit envelope), or improper keying of your transaction.

Limitations on Frequency and Dollar Amount of Transactions

To protect your balance, we place daily dollar limits on ATM withdrawals and Card purchases, even if your available balance is higher than the daily limit. However, we may:

- Allow transactions that exceed your limits.
- Temporarily reduce your limits without notice, for security purposes.
- Change your limits (we will notify you if we do).

The following limits apply:

1. **ATM Transactions.** Provided you have sufficient available funds in your account, you may use your Card at an ATM up to a maximum of seven (7) transactions, or to withdraw up to a maximum of \$750.00 in cash, whichever comes first, each twenty-four (24) hour period.

Minimum withdrawal amounts and increment amounts may vary depending on the network or ATM you access. For example, the minimum withdrawal and increment amount is generally \$20.00.

2. **POS Transactions.** There are daily dollar limits and transaction limits that apply to purchases and cash withdrawals you make with your Card at POS terminals that are subject to the available balance in your checking account. The daily dollar limits and transaction limits depend on whether the Card is used for a PIN-based POS transaction or a signature-based transaction. These limitations are as follows: (1) You may use your Card to conduct up to a maximum of seven (7) PIN-based POS transactions, or to obtain cash advances and make purchases up to a maximum amount of \$1,500.00, whichever comes first, each twenty-four (24) hour period; and (2) you may use your Card to conduct up to a maximum of twenty-five (25) signature-based POS transactions, with no dollar limit, each twenty-four (24) hour period.

Various institutions that participate in networks of which the Credit Union is a member may have withdrawal limits different from the above amounts. ATM & POS terminal owners, merchants and retailers may restrict cash withdrawals and purchases to lower limits and charge proprietary fees. For security reasons, in the event your Card or PIN is lost or stolen, there may be restrictions on transactions you can make at ATMs.

You agree to follow the instructions posted or otherwise given by us or any ATM network or POS terminal concerning use of the machine/terminal.

Authorization Holds for Visa Debit Card Transactions

When you use your Card for purchases, most merchants will ask us to authorize your purchase. If we authorize your purchase, we will place an authorization hold on your balance, generally for up to three (3) calendar days, to pay for your purchase. We may authorize or refuse to authorize a transaction based on a different amount than the authorization request because some merchants request authorization for an amount that is unrelated to the actual amount of the purchase (for example, at a gas station).

We may place a longer hold for certain types of purchases. There are times – for example, at restaurants, gas stations, hotels or car rental agencies – when a merchant will not know the exact amount of your purchase when the authorization is requested. If the authorization is more or less than the actual purchase amount, the authorization hold may remain in place even after the purchase amount has posted (settled) to your account. We will pay the purchase amount from your balance whenever the merchant sends it to us, even if the hold has expired. You agree that we are not responsible if we do not authorize or if we dishonor other POS, ATM or check transactions drawn on your account while a hold is in place on your account.

For more information regarding how debit card authorization holds impact your available account balance, refer to the section entitled *How to Determine Your Available Balance* in the Deposit Account Agreement and Truth-in-Savings Disclosure that was provided to you when you opened your account.

Overdrafts

We generally will not authorize an ATM transaction or a one-time debit card transaction if your available balance is insufficient to pay for the transaction, and we will not charge an NSF Fee. We do, however, automatically link your card to an overdraft protection source at account opening, including, but not limited to, a savings account or Visa credit card, to fund any overdrafts on your checking account. You may opt out or change the overdraft protection source by submitting a written request to F&A Federal Credit Union P.O. Box 30831, Los Angeles, CA 90030-0831. We reserve the right to expand or restrict the types of accounts that may be linked to your Card. Refer to the section entitled *Liability for Overdrafts* in the Deposit Account Agreement and Truth-in-Savings Disclosure.

Our Right to Refuse Card Transactions

We reserve the right to refuse to authorize any transaction when your Card has been reported lost or stolen or when we reasonably believe there may be fraudulent, suspicious or illegal activity.

ATM Safety

You agree to use caution at all times when using an ATM. Some precautions you can take are:

- Avoid ATMs that are obstructed from view or unlit at night.

- Observe the area for anything unusual or suspicious.
- When possible, bring a companion along, especially at night.
- Lock your vehicle when you leave it.
- Have your Card in your hand as you approach the ATM and avoid reaching in your wallet or purse in front of the ATM.
- Avoid counting your cash at the ATM.
- Lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up ATM.
- Prevent others from seeing you enter your PIN by using your body to shield their view.
- Do not accept assistance from anyone you do not know when using an ATM.

We want ATMs to be safe and convenient for you. Tell us if you know of any problem with the facility. For example, let us know if a light is not working or there is any damage to the facility. If you feel unsafe for any reason, you should leave the area immediately. If someone follows you after using the ATM, you should quickly go to a safe area that is well populated and well lit. You should report any incident to both the operator of the facility and to the police as soon as possible.

Returns and Adjustments

Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending us a credit that we will post to your checking account. The amount of the credit will be reflected on your periodic statement.

Foreign Transactions (Visa Debit Card)

Purchases, cash advances and credits processed outside of the United States or in a foreign currency will be billed to your account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with Visa's operating regulations for international transactions. In the event that an international transaction is converted to U.S. dollars, the exchange rate between the transaction currency and the billing currency used for processing international transactions will be: (1) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives; or (2) the government-mandated rate in effect for the applicable central processing date. The processing date on which the exchange rate is applied may differ from the date you used your Card. When a credit to the account does not fully offset a charge to the account due to changes in the rate, you are responsible for the difference.

We charge a Foreign Transaction Fee of 1% for international transactions that will be added to the amount of your purchase, cash advance or credit, regardless of whether the international transaction requires a currency conversion.

Card Claims and Transaction Questions

When you authorize other parties to debit your checking account, you are responsible for these transactions. This means that you will have to contact these parties directly if you have questions or complaints about your transactions. Any claims concerning goods or services purchased with your Card must be resolved by you directly with the merchant or seller who accepted the Card. You understand that we will

not be able to help you because we only have the information received from the third party. Any claim or defense that you assert will not relieve you of your obligation to pay us the total amount of the transaction, unless otherwise permitted by law. You are not permitted to stop payment on any purchase made using your Card.

PIN-less Visa Debit Card Transactions

We allow non-Visa debit transaction processing. This means you may use your Card on a PIN-Debit Network (a non-Visa network) without using a PIN to authenticate your transactions. Visa Operating Rules and Regulations generally define a PIN-Debit Network as a non-Visa debit network that typically authenticates transactions by use of a personal identification number (PIN), but that is not generally known for having a card program.

There are two types of authenticated transactions when using a Card: PIN-based and signature-based. In a PIN-based debit transaction, a cardholder enters a PIN to authorize the transaction. In a signature-based debit transaction, a cardholder signs a receipt. As a result of changes to Visa's Operating Rules and Regulations, you may choose to purchase goods and services with your Card through a PIN-Debit Network without the requirement of entering your PIN. The networks that support PIN-less transactions for the Credit Union are Star and NYCE.

Examples of PIN-less debit transactions include initiating a payment directly with a biller (possibly via telephone, Internet, 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 the use of your PIN.

You understand and agree that the terms and conditions of your agreement with us relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's Zero Liability program), \$50.00 loss cap, provisional credit policies and the streamlined error resolution procedures offered on Card transactions are not applicable to transactions processed on a PIN-Debit Network.

PART 4

PREAUTHORIZED TRANSFERS

Account Access

Preauthorized payments may only be made from your savings or checking account(s). If your preauthorized payment due date is scheduled to occur on a non-business day it will be sent out the next business day unless the payment due date is the last calendar day of the month in which case the preauthorized payment will occur on the last business day of the month.

Notice of Varying Amounts

If your preauthorized payment may vary in amount, the party who will receive the payment (the payee) is required to tell you the amount and date of the next payment at least ten (10) days before the payment due date. You may choose to get this notice from your payee only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.

Your Right to Receive Documentation of Preauthorized Payment – Initial Authorization

You can get copies of the preauthorized payment documentation from the payee at the time you give them the initial authorization.

Right to Stop Preauthorized Payments and Procedures for Doing So

You can place a stop payment on a recurring payment by calling us at (800) 222-1226 during normal business hours, faxing to us an ACH Stop Payment Form to (323) 269-6607, or mailing it to us at F&A Federal Credit Union, P.O. Box 30831, Los Angeles, CA 90030, at least three (3) business days or more before the next payment from your account is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call or the stop payment order will cease to be binding. We will charge you a fee for each stop payment order you give as set forth in our *Schedule of Fees and Charges*.

Stop payments applied to non consumer accounts will remain in effect until the earlier of:

- the withdrawal of the stop payment order by the account holder;
- the return of the debit; or
- six (6) months from the date of the stop payment order, unless renew it in writing.

Stop payments applied to consumer accounts will remain in effect until the earlier of:

- the withdrawal of the stop payment order by the account holder; or
- the return of the debit, or, where a stop payment order applied to more than one debit relating to a specific authorization involving a specific payee, the return of all such debit.

Right to Revoke Authorization of Preauthorized Payments

If you stop payment on a preauthorized payment from your account and that payment is a recurring debit, the stop payment applies only to that particular payment. You are not revoking authorization for the third party to receive the recurring payment. If you have requested to cancel the entire preauthorized payment authorization, you must also contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide us with a copy of your written revocation notice to the third party.

Our Liability for Failure to Stop Payment

If you place a stop payment order three (3) or more business days before the transfer is scheduled, and we still pay, we will be liable for your losses or damages.

Fees

If your account does not have sufficient funds to pay a preauthorized payment, the request may be returned to the third-party payee and your account will be charged an NSF Fee as stated in our *Schedule of Fees and Charges*.

PART 5

PREAUTHORIZED DEPOSITS

If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company (for example, from your employer, the Social Security Administration, or other payer), that third party making the direct deposit may have agreed to notify you every time the party sends us money to deposit to your account. If you have not made such an arrangement, you can confirm you have received the deposit by reviewing your balance and recent transactions through www.fafcu.org, our Mobile Banking application, or by calling us at (800) 222-1226 and speaking to a Member Service Representative.

Preauthorized deposits may only be made to your savings or checking account(s).

If, in connection with a direct deposit plan, we deposit any amount in an account which we are later required to return to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

PART 6

ELECTRONIC CHECK TRANSACTIONS

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. You may also authorize a merchant or other payee to debit your checking account for returned check fees or for an EFT returned unpaid. Electronic check conversion is a payment process in which a merchant or other payee (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. You authorize a one-time EFT for an electronic check conversion transaction when you receive notice from the payee that the transaction will or may be processed as an EFT, and you go forward with the transaction.

When information from your check is used to make an EFT, funds may be withdrawn from your account as soon as the same day you make your payment. This type of EFT transaction involving a consumer account is covered by the federal Electronic Fund Transfer Act and this Agreement. A description of the transaction will appear on your periodic statement.

PART 7

ONLINE BANKING

This Part 7 explains the terms and conditions governing the online banking services offered through Online Banking via our website, including without limitation the Bill Payment Service, external transfers, internal transfers, mobile banking, mobile deposit, and the home deposit service (collectively, "Service(s)"); some of which may require separate enrollment and have additional terms of use. We may, from time to time, introduce new Services and we will update our website to include them.

Acceptance of Online Banking Terms and Conditions

When you use, access, or permit any other person(s) to use or access, any of the Services, you agree to abide by the terms and conditions of this Agreement in its entirety, as may be amended from time to time. We may amend or change this Agreement at any time, as determined in our sole discretion. Where required by applicable law, we will notify you of such changes. If you use the Services after the effective date of a change, your use indicates your agreement with the change(s). A copy of the most current Agreement will be available in Online Banking. We ask you to please review the Agreement regularly. If, at any time, you do not agree with the terms and conditions of the Agreement, please discontinue your use of the Services.

Other Agreements

In addition to this Agreement, in connection with your use of the Services, you may be subject to, and/or required to agree to, account agreements, guidelines, rules, schedules, disclosures, disclaimers and other terms that we may post in Online Banking or otherwise provide or make available to you from time to time. Furthermore, if you use certain features, products or services available on or through the Services, you will be subject to and/or required to agree to, separate end user agreements governing or relating to such features, products or services. All such account agreements, guidelines, rules, disclosures, disclaimers, user agreements or similar agreements, and other terms and conditions (collectively, "Additional Agreements"), are hereby incorporated by reference into this Agreement. Additional Agreements shall include, without limitation, agreements, rules or other terms governing any checking, savings, or other deposit accounts, loan, line of credit and credit card accounts, and any other accounts that you may view, modify or otherwise access while using the Services; fee schedules; and your signature card. When you access accounts online, or initiate transactions and/or requests using Online Banking, this does not change the agreements you already have with us on those accounts.

If the terms and conditions of this Agreement conflict with the terms and conditions contained in any Additional Agreement, the terms and conditions of the specific Service will govern as to that particular Service unless expressly stated herein. Notwithstanding anything to the contrary, the

terms and conditions of this Agreement are not intended to modify any disclosures or other terms that are required by law and that are provided by us in an Additional Agreement.

For example, when you use Online Banking to access your checking account, you do so under the terms and conditions for the account as set forth in our Deposit Account Agreement and Truth-in-Savings Disclosure. You should review those agreements and our *Schedule of Fees and Charges* for any applicable fees, for limitations on the number of transfers you can make, and for other obligations and restrictions, which might impact your use of an account with Online Banking.

Types of Available Transactions

Subject to any account restrictions, you may use your Online Banking PIN to:

- Make balance inquiries.
- View and/or download account history as available.
- Transfer funds among and between your accounts with us.
- Transfer funds from your accounts to another Credit Union member's account with us.
- Transfer funds to/from your accounts at other financial institutions, if you are eligible for and participate in the account to account (A2A) electronic transfer service.
- Transfer funds to/from a non-member's account with another financial institution if you are eligible for and participate in the person-to-person (P2P) electronic transfer service.
- Make withdrawals from your savings account(s) (except from IRAs or from the principal of a Certificate Account) or checking account(s) made by Credit Union check issued in the name of the member appearing first on the Account Signature Card and mailed to your address of record.
- Take an advance on your Line of Credit and transfer funds to your savings or checking account, or by Credit Union check issued in the name of the member appearing first on the account signature card and mailed to your address of record.
- Make loan payments by transferring funds from your accounts at the Credit Union.
- Make bill payments through our Bill Payment Service.
- Open new checking or savings accounts.
- Apply for loans.
- Set up and manage account alerts.
- Enroll in and access eStatements.
- View online check images.
- Perform self-service account maintenance such as re-ordering checks, requesting copies of periodic statements, placing a stop payment on checks issued by you, updating your address, email address and telephone number(s), and changing your Online Banking PIN.
- Activate or report a debit card lost or stolen.

We may, from time-to-time, introduce new features to Online Banking or modify or delete existing features. We will notify you of such changes if required by applicable law. By using any new or modified features, you agreed to be bound by the terms and conditions associated with such features, if any.

Minimum System Requirements

You are solely responsible for obtaining, installing, maintaining and operating all software, hardware and/or other equipment (collectively, "Equipment") necessary to access and/or use the Services, as further described below:

- Internet capable device (i.e. computer, mobile telephone, tablet) ("Access Device");
- Internet browser with 128-bit SSL encryption that will allow first and third-party cookies, Flash Plugin, with a recent version of Google Chrome, Internet Explorer, Firefox, or Safari;
- Recent version of Adobe Acrobat Reader;

Further, you are responsible for obtaining and maintaining Internet services from the Internet service provider of your choice, which includes responsibility for any fees and costs imposed by such Internet service provider or related service providers. These responsibilities include, without limitation, your utilizing up to date web-browsers, Access Devices and best commercially available encryption, antivirus, anti-spyware, and Internet security software. You acknowledge that there are certain risks associated with using open networks such as the Internet including security, corruption, transmission error, and access availability risks and you hereby expressly assume such risks. You acknowledge that you are responsible for the data security of the Equipment and Access Devices used to access the Services, and for the transmission and receipt of information using such Equipment. We are not responsible for any errors or problems that arise from the malfunction or failure of the Internet or your Equipment and/or Access Device nor are we responsible for notifying you of any upgrades, fixes or enhancements or for providing technical or other support for your Equipment and/or Access Device.

You understand that your use of an Access Device is susceptible to viruses and other security threats. You are solely responsible for making sure your Access Devices and Equipment are protected from and free of viruses, worms, Trojan horses, or other harmful destructive elements which could result in damage to your Access Device, Equipment, programs, files, computers, phones, tablets, or could result in interception of information by a third party. WE WILL NOT BE RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES THAT MAY RESULT FROM ANY DAMAGE CAUSED BY OR RELATED TO YOUR EQUIPMENT, HARDWARE OR SOFTWARE COMPONENTS, INTERNET SERVICES OR THE INTERCEPTION BY A THIRD PARTY OF ANY PERSONAL INFORMATION AND/OR SENSITIVE INFORMATION ACCESSED VIA ONLINE BANKING.

Eligibility

You understand and agree that in order to use the Services, you must have an account in good standing.

Personal Identification Number (PIN) Protection

In our sole discretion, we may change the parameters for PINs used to access the Online Banking Services without prior notice to you. If we do so, you will be required to change your PIN the next time you access Online Banking. To prevent unauthorized access to your accounts and to prevent unauthorized use of the Services, you agree to protect

and keep confidential your debit card number, account number, PIN, access code, password and any other means of accessing your accounts via the Online Banking Services. The loss, theft, or unauthorized use of your card number, account number, login ID, PIN, access code, password, or other means to access your account ("Account Information") could cause you to lose some or all of the money in your accounts, including draws on your credit card or line of credit. Additionally, it could permit unauthorized persons to gain access to your sensitive personal and account information and to use such information for fraudulent purposes.

If, at any time, you believe that your Account Information has been lost or stolen or the Online Banking Services have been used or accessed without your authorization, you agree to notify us immediately as provided for in this Agreement.

Your PINs are established for security purposes. You understand that you cannot use the Services without a PIN.

YOU AGREE THAT USE OF YOUR PIN CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION. Your PIN acts as your signature.

All transactions entered into using the Services that would otherwise require your actual signature, or other authorization, will be valid and effective as if actually signed by you when accomplished by use of your PIN or as otherwise authorized under this Agreement.

You understand that if you disclose your Account Information to any person(s), you have given them access to your account(s) via the Services including the ability to review all of your personal and financial information and to engage in account transactions. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. Transactions that you or that person initiates with fraudulent intent are also authorized transactions. In such instances, you assume all risks and losses associated with such disclosure and you agree to be responsible for any transaction and activities performed from your accounts and for use of any of your personal and account information by such person(s). We are entitled to act on all transaction instructions received using your PIN, which will have the same effect as your signature for the purpose of authorizing transactions. If you authorize anyone to use your Account Information in any manner, that authority will be considered valid until you specifically revoke such authority by notifying us in writing, and immediately changing your PIN. You will be responsible for any transactions made by such authorized persons up to the time you notify us of the revocation and the PIN has been changed.

If you fail to maintain the security of your PIN and the Credit Union suffers a loss as a result, we may terminate your access to the Online Banking Services immediately, as determined in our sole discretion.

If you voluntarily subscribe to a third-party account aggregation service where your selected F&A Federal Credit Union deposit and/or loan account(s) as well as your accounts at other financial/investment institutions may be accessed on a website, you may be required to give your F&A Federal Credit Union PINs to the aggregate service provider. You

understand that by doing so, you are providing the aggregate service provider access to your F&A Federal Credit Union accounts.

Biometric Authentication

To enable biometric authentication (also referred to as Touch ID/Fingerprint) to login to your account, you are required to remember your username on the access device. Once Touch ID/Fingerprint is enabled, you understand and agree that any Touch ID/Fingerprint stored on the access device can be used to access your accounts in Mobile Banking. Family and friends that may know your passcode could add a fingerprint to your access device and access your accounts. It is your responsibility to keep the passcode to your device secure to prevent unauthorized access to your accounts. We do not control the functionality of Touch ID/Fingerprint nor do we have access to your fingerprint information. There may be circumstances where Touch ID/Fingerprint will not function as expected and we may ask you to log in using your password.

Preventing Misuse of your Account

Your role is very important in the prevention of any wrongful use of your account. You must promptly examine your periodic statements upon receipt. If you find that your records and ours disagree, you must immediately call us. For your protection, sign off after every session and close your browser to ensure confidentiality. To maintain the security and privacy of your account, we recommend that you periodically change your PIN. You are responsible for keeping your PINs and other Account Information confidential. Neither the Credit Union nor any company affiliated with the Credit Union will contact you via email or phone requesting your Online Banking PIN. If you believe that your PIN or any other Account Information may have been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, notify us immediately.

Joint Accounts

The terms and conditions in this Part 7 extend to all joint account owners. All joint account owners must be owners (signers) on the designated joint account and each account owner should have a unique login ID and password. Each account designated for Online Banking can be accessed via Online Banking by any one of the joint owners, and you agree that we may act on the verbal, written or electronic instructions of any joint account owner or authorized signer. If you use the Services to access an account you jointly own with another member, access and transactions by any one such member through the Services will be considered authorized by all account owners.

Services Fees

You may generally access the Services provided to you at no additional cost. We reserve the right to add fees in the future provided that we notify you of such changes if required by applicable law. You remain responsible for any telephone access fees and/or Internet service fees that may be assessed by your telephone and/or Internet service provider.

Limitations on Frequency and Dollar Amount of Transactions

Fund transfers by and between your accounts at the Credit Union are not limited in terms of minimum or maximum

dollar amounts per transaction except as provided for in this Agreement. All loan advances are limited to the amount of credit available from your personal Line of Credit account.

Withdrawal Checks

Credit Union checks are prepared for withdrawals requested using Online Banking. We will mail these checks to you at your last address of record. Checks requested before 3:00 p.m. Pacific Time on any business day will be mailed on the same day. Transactions completed after 3:00 p.m. Pacific Time on any business day will not be mailed until the following business day.

SECTION 1

ELECTRONIC TRANSFER SERVICES

Authorization

The Electronic Transfer Service allows you to login to Online Banking and transfer funds to or from your account(s) at the Credit Union and your external account(s). You authorize us to charge your designated account for all transfers of funds that you initiate through Online Banking and you agree to have sufficient available funds in your account on the date such transfer is to be performed. You authorize us to select any means to execute your funds transfer request including ACH. You understand and agree that you will be bound by the rules and regulations that govern the applicable funds transfer systems, including ACH rules as published by the National Automated Clearinghouse Association.

Types of Transfers: One-time and Recurring

You may set up transfers to occur in two ways: one time only or on a recurring basis. The date the debit is scheduled to take place is known as the "Send Date." One-time transfers may be immediate or scheduled for a future Send Date. Recurring transfers may be used to set a fixed dollar amount to be transferred at regular intervals (i.e. on the 31st of every month, every two weeks, etc.) for a period of time that you set. Recurring transfers with no ending date shall continue until you instruct us to stop. For External Transfers, any recurring Send Date that falls on a non-business day will be processed on the next business day.

We process one-time and recurring transfers at least once per business day. Following the debit from your F&A Federal Credit Union account, the transfer will take approximately, 2-3 business days to complete.

Internal Transfers

Internal transfers are those transfers between linked and eligible accounts held at F&A Federal Credit Union ("Internal Transfers"). Internal Transfers are limited by dollar amount. The minimum transfer amount is \$0.01 and the maximum transfer amount is \$999,999.00, with a maximum per day limit of \$999,999.00. Subject to the maximum per day limit of \$999,999.00, there are no limits on the number of Internal Transfers you may make per day unless otherwise noted in Part 2 Terms and Conditions Applicable to All Electronic Services. We may from time to time for security and risk management reasons modify the limit, the frequency and the dollar amount of transfers you can make using Internal Transfers.

Internal Transfers will be processed only on business days. If you designate an Internal Transfer as an immediate one-time transfer on a business day, your transfer will be processed immediately during your Online Banking session, provided that you have sufficient available funds in the designated account. If you do not have sufficient available funds for an immediate one-time transfer, your transfer will be rejected during your Online Banking session, and nothing further will happen. If you have selected a Send Date in the future or established a recurring transfer, your transfer will be processed on the selected Send Date(s). If you do not have sufficient available funds by 12 am PST [12:00 a.m. PST] on the Send Date(s) to transfer the designated amount, our system will automatically attempt to re-process the Internal Transfer for the designated amount for the next fifteen (15) days.

Transfers made from credit accounts are treated as cash and/or loan advances and are subject to the terms and conditions of the applicable credit agreement.

External Transfers

Account to Account (A2A) external transfers are those transfers between your F&A Federal Credit Union accounts and other personal accounts you own at other financial institutions ("External Transfers"). External Transfers may be used for:

- Transfers from your F&A Federal Credit Union account to your account at another financial institution.
- Transfers from your account at another financial institution to your F&A Federal Credit Union account.

Person to Person (P2P) external transfers are those transfers between your F&A Federal Credit Union accounts and non-members at other financial institutions.

- Transfers from your F&A Federal Credit Union account to a non-member at another financial institution.
- Transfers from a non-member at another financial institution to your F&A Federal Credit Union account.

Eligibility for External Transfers. To be eligible for External Transfers, you must be a member in good standing. For Account to Account (A2A) you must be an owner of the account at the other institution.

Account Validation for External Accounts. You authorize us to validate any external account in a manner selected by us, including through the use of test deposits. If we choose to utilize test deposits to verify the external account, two low value deposits will be transferred into and debited out of your designated external account. Once the test deposits are complete, we may ask you to access your external account at the other financial institution to tell us the amount of the two test deposits or any additional information reported by your financial institution with these test deposits. We may also verify external accounts by requiring you to submit proof of ownership of such external account. Your failure to provide proof of ownership may result in indefinite suspension of your use of electronic transfers.

Your Representations and Warranties Concerning External Transfers. By using External Transfers, you represent and warrant the following:

- The external account is a United States account;

- You have the right to authorize and permit us to access your external accounts to effect such funds transfers or for any other purpose authorized by this Agreement, and you assure us that by disclosing and authorizing us to use such information, you are not violating any third party rights;
- The information you provide to us is true, current, correct and complete. You hereby authorize and permit us to use information submitted by you to accomplish these purposes.

You Give us a Limited Power of Attorney. For as long as you use the External Transfer service, you give us a limited power of attorney and appoint us as your true and lawful attorney-in-fact and agent, with full power of substitution, for you and in your name, place and stead, in any and all capacities, to access the external accounts, effect funds transfers as described above, and perform each and every act requisite and necessary to be done in connection with effecting funds transfers, including verifying the content and authenticity of any funds transfer instruction for the purposes of security procedures applicable to external accounts, as fully as you might or could in person. If you request to stop using the External Transfer service and we have had a reasonable opportunity to act on your request, this limited power of attorney will be automatically revoked; provided, however, that any act done by us in good faith before we receive your request to stop using the External Transfer service and have had a reasonable opportunity to act on such request will be deemed to be authorized by you.

Limitation of F&A Federal Credit Union Liability for External Transfers. You understand and agree that at all times your relationship with each financial institution or other provider besides F&A Federal Credit Union is independent of your relationship with us and your use of External Transfers. We will not be responsible for any acts or omissions by the financial institution or other provider of any external account, including without limitation any modification, interruption or discontinuance of any external account by such financial institution or provider. You agree that we will not be liable for any costs, fees, losses or damages of any kind incurred as a result of (1) our access to the external accounts; (2) our debit and/or credit or inability to debit and/or credit the external accounts in accordance with your funds transfer instructions; (3) any inaccuracy, incompleteness or misinformation contained in the information retrieved from the external accounts; (4) any fees or charges imposed by any other financial institution or provider besides F&A Federal Credit Union; and (5) any funds transfer limitations set by the financial institution or other providers of the external accounts.

Not all types of accounts are eligible for funds transfer. We reserve the right to decline the use of any external account that we believe may present a risk to us. We are not responsible for any costs or losses incurred from fund transfers that are not permitted under such restrictions by the financial institution or other provider of your external account or those imposed by applicable law.

External Transfer Processing and Limitations. External Transfers will only be processed on business days. External Transfers requested after 10 a.m. PST [10:00 a.m. PST] on

a business day or on a non-business day will be considered received on the following business day. When establishing a transfer, External Transfers will display the earliest estimated Send Date available.

Sufficient Funds. For External Transfers, you must have sufficient available funds in the designated account at 10 a.m. PST [10:00 a.m. PST] on the Send Date (the “Cut-Off Time”) for us to properly process your transfer instructions. Amounts subject to hold pursuant to our hold policy, amounts pledged as collateral, and other funds subject to restrictions on withdrawal are excluded from the available balance in an account.

If sufficient funds are not available in the designated account on the designated Send Date by the Cut-Off Time to transfer the designated amount, the External Transfer will be rejected, and will not be reinstated or reattempted.

Frequency

We do not generally limit the number of EFTs you may make; however, we may from time to time modify the frequency of External Transfers for security reasons. In addition, you may not make EFTs in excess of the number of funds transfers allowed by the rules governing the applicable accounts as may be specified in the Deposit Account Agreement and Truth-in-Savings Disclosure or other agreements.

Dollar Limits

External Transfers are limited by dollar amount as follows:

- Account-to-Account (A2A) transfers from your personal account at another financial institution into one of your Credit Union accounts are limited to \$10,000.00 per transfer, with a daily limit of \$30,000.00.
- Account-to-Account (A2A) transfers from your Credit Union accounts to your personal account(s) at another financial institution are limited to \$5,000.00 per transfer, with a daily limit of \$10,000.00.
- Person-to-Person (P2P) transfers from another person into your Credit Union account(s), the per transfer limit is \$3,500.00, with a daily limit of \$3,500.00.
- Person-to-Person (P2P) transfers to another person from your Credit Union account(s), the per transfer limit is \$1,500.00, with a daily limit of \$1,500.00.

The amount of your limit is established at our sole discretion and will be disclosed to you at the time of your transfer. We may from time to time for security and risk management reasons modify the limit, the frequency and the dollar amount of transfers you can make using the External Transfer service.

Declining Transfers

We reserve the right to decline to effect any EFT, to submit funds transfer instructions or orders or to carry out change or cancellation requests. We do not guarantee all transfer requests will be processed without interruption.

Right to Cancel External Transfers

You may not cancel or stop an External Transfer that is already in progress. For one-time transfers designated with a future Send Date and recurring transfers, you may cancel any transfers as long as you login and cancel or stop the request before the Send Date or next scheduled recurring transfer.

For recurring transfers, you can choose to cancel the entire recurring payment schedule or only the next scheduled transfer. If you choose to cancel the entire recurring payment schedule, all future transfers will be cancelled and you must reschedule any recurring payments you want to occur in the future.

Timeliness

We will make all reasonable efforts to process your electronic transfer in a timely manner. In the event that a debit entry to any of your accounts, or any portion of such debit entry, has failed and the credit side of such electronic transfer has been released and cannot be collected, we reserve the right, and you hereby authorize us, to debit any of your accounts at F&A Federal Credit Union to satisfy any such delinquency, including an ACH returned item fee.

We may not notify you of such event other than by posting such debit entry(s) to the applicable account in accordance with this Agreement. In the event any of your accounts do not contain sufficient available funds to satisfy a debit entry, in whole or in part, you understand and agree that we reserve the right to collect on such debit entry as permitted by law.

Suspension/Termination and Reinstatement of the Electronic Transfer Services

We reserve the right to immediately suspend or terminate your use of the Electronic Transfer Service, without prior notice to you, under any of the following circumstances:

- Mail we send you is returned undeliverable;
- Undeliverable email address or unverifiable email address.
- Your phone number is disconnected or we are unable to reach you at the phone number(s) listed on the account;
- Any of your deposit accounts with us are overdrawn;
- We detect unusual transaction patterns based upon account and deposit history;
- The inability of the electronic transfer program to successfully debit from any of your accounts;
- The inability of the electronic transfer program to successfully collect from any of your accounts;
- Negative account activity such as Insufficient Funds (NSF);
- You attempt an electronic transfer to or from an account you do not own;
- Your failure to comply with this Agreement.

In the event we suspend or terminate your use of the Electronic Transfer Service, you may request reinstatement of your use of the service by contacting us. We reserve the right, in our sole and absolute discretion, to grant or deny reinstatement of your use of the Electronic Transfer Service. In the event we agree to reinstate you, we reserve the right to, and ordinarily will, initially reinstate your use of the Electronic Transfer Service subject to lower per-transaction and monthly dollar limits and/or with other restrictions on the electronic transfers than what otherwise might be available to you. Based upon your subsequent use of the Electronic Transfer Service, we may, in our sole and absolute discretion, thereafter restore your full ability to use the Electronic Transfer Service, subject to such changed limits as may then be in effect.

Name and Account Number Inconsistency

You understand and agree that the NACHA Operating Rules permit the posting of an ACH entry based solely on account number. Thus, an electronic transfer made via ACH credit or debit entry may be posted to the account number provided, even if the name and account number of such entry do not match. You understand and agree that when entering account instructions, it is your sole responsibility to ensure that you enter such account information accurately. Further, your obligation to pay the transfer shall not be excused in the event of any inconsistency. In the event you make an error in entering account information, you understand and agree to hold F&A Federal Credit Union harmless from any fee or loss you may incur, including any fees and penalties assessed on the external account.

Our Liability

We will use commercially reasonable efforts to post your transactions properly to the designated account when you use the Electronic Transfer Service correctly and comply with this Agreement and all other requirements as set forth by us. However, we will incur no liability if we are unable to complete the electronic transfer affected by you through this service because of any one or more of these circumstances:

- Your error that impacts the electronic transfer for any reason.
- Your failure to comply with this Agreement and all other requirements as set forth by the Credit Union.
- Your failure to provide complete and/or correct information.
- Issues such as insufficient available funds and the like that prevent and/or delay the Credit Union from processing your electronic transfer.
- Circumstances beyond our control (e.g., fire, flood, interference from outside sources, failure of electronic systems, etc.) that prevent the processing of the electronic transfer despite reasonable precautions on our part.

You understand and agree that we must rely on the information provided by you, and you authorize us to act on any instruction to submit an electronic transfer request which has been, or reasonably appears to have been, sent or authorized by you. We are not obligated to take any further steps to confirm or authenticate such instructions and will act upon such instructions without getting further confirmation.

You agree that we shall be liable to you only for our negligent performance or non-performance of the Electronic Transfer Services provided for in this Agreement, and that our responsibility is limited to the exercise of reasonable and ordinary care. If we fail or delay in making a transfer pursuant to your instructions, or if we make a transfer in an amount less than the amount in your instructions, our liability is limited to the interest on the amount that we failed to timely transfer, calculated from the date the transfer was to be made until the date it is actually made or the day you canceled the instructions. We will pay interest to you and such payment will discharge us from liability to the other party. If we make a transfer in an amount that exceeds your instructions, our liability will be limited to a refund of the amount transferred, plus interest from the day of the transfer to the day of the payment, but not more than sixty (60) days' interest. In

limited circumstances, we, at our option, attempt to cancel or amend an electronic transfer at your request, but we may not be able to cancel or amend an electronic transfer because of the ACH posting rules, funds availability, or the actions or inactions of the financial institution where the external account is located. You agree that we will have no liability to you or any third party if a cancellation or amendment is not completed for any reason, and you will indemnify us against any such claims.

SECTION 2

BILL PAYMENT SERVICE

Eligibility

We offer the Bill Payment Service to make one-time or repeating payments to individuals, companies or merchants in order to pay your bills. You must be a member in good standing, over the age of 18 (or age of majority depending on the state in which you reside), with an open checking account to set up or use the Bill Payment Service.

Fees

Currently, we do not charge any monthly service fees for the use of our electronic Bill Payment Service. However, we reserve the right to charge a monthly service fee in the future. If we decide to do so, we will provide you with a notice of change in terms in accordance with applicable law.

There may be a charge for additional transactions and optional services as disclosed on our *Schedule of Fees and Charges*. You agree to pay such charges and authorize us to charge your designated checking account or, if your designated checking account or overdraft source(s) do not contain sufficient available funds, you authorize us to charge your savings account, and if sufficient funds are not available in your savings account, we will charge your money market account(s), then your Line of Credit, then Courtesy Pay, in that order.

Designating a Bill Payment Account

When you set up Bill Payment services, you must designate a checking account as your Bill Payment account. If you close your Bill Payment checking account, your Bill Payment services will end and any unprocessed bill payments will not be made. In the event you change your checking account number, you understand that you must re-enroll in the Bill Payment Service and re-establish scheduled bill payments.

Canceling Your Bill Payment Services

If you do not pay a bill using the Bill Payment Service for one hundred (100) consecutive days we will conclude that you have cancelled the service. If you wish to cancel the Bill Payment Service, you must notify us in writing at: F&A Federal Credit Union, P.O. Box 30831, Los Angeles, CA 90030. You will be responsible for all payment instructions made prior to cancelation and for all other applicable fees and charges. If you choose to cancel your use of the Bill Payment Service, any unprocessed bill payments will be canceled. You agree to cancel all outstanding payment orders with the payee(s) before notifying us to cancel the service.

Electronic Bill Payments

Bill Payments can be made in any amount between \$1.00 and \$9,999.99. When you schedule a bill payment using Online Banking, you authorize us to withdraw the necessary funds from your designated checking account. You agree that you will instruct us to make a withdrawal only when there are sufficient available funds in your designated checking account or the funds are available through your overdraft source(s).

Any payee you wish to pay through the Bill Payment Service must be payable in U.S. dollars. Each payee must appear on the payee list you create with us and the account you are paying must be in your name. You may not use the Bill Payment Service to make payments to a federal, state, or local government or tax unit, or to other categories of payees that we may establish from time to time.

We will process the transaction on the date of your request; however, you understand and agree that, due to circumstances beyond our control, particularly delays in handling and posting payments by slow responding companies or financial institutions, some transactions may take a day or more to post to your account with the designated payee. For this reason, all the bill payment dates should be scheduled by you at least ten (10) business days before the actual due date (not the late date and/or the grace period). If you do not allow sufficient time, you will assume full responsibility for all late charges, finance charges, or other actions taken by the payee. Payment may take several business days to reach each vendor (payee), as they are sent either electronically or by check. We will not be liable for any service or late charges levied against you.

A bill payment scheduled to be made on a non-business day will be made on the following business day. If you follow the procedures described herein, and we fail to send a payment according to the payment instructions received, we will be responsible for returning the improperly transferred funds to your account and for directing to the proper recipient any previously misdirected bill payments or transfer. You agree to enter your account number and address as they appear on your payment stub or bill when adding payees to your account. For purposes of the Bill Payment Service, a business day is defined as a day when our office is open for business. We are not liable for any damages you incur if you do not have sufficient available funds in your designated checking account to make the payment on the processing date, if the estimated time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to credit the account correctly for the payment in a timely manner, or for any other circumstances beyond our control.

Non-Sufficient Funds

You understand that we will not act on any withdrawal instructions from you if sufficient funds, including any overdraft Line of Credit and funds available in your other overdraft sources, are not available in your designated checking account and we will not pay the bill payment. A written notice will be sent to you of transactions we are unable to process because of insufficient available funds, and your account will be charged a fee in accordance with *Our Schedule of Fees and Charges*.

In all cases, you are responsible for either making alternate arrangements for the payment, or rescheduling the payment through the Bill Payment Service. Insufficient available funds will prevent us from making more payments until resolved. You authorize us, and any third-party acting on our behalf, to choose the most effective method to process your payments. You will receive a transaction confirmation number for each properly instructed payment. Unless you receive a confirmation number, we will not be liable for any failure to make a payment.

Merchant or Payee Limitation

You understand that we reserve the right to refuse to pay any person or entity to which you may direct a payment, but we will notify you of any such refusal within three (3) business days following receipt of your process date. This notification is not required if you attempt to pay tax or court-related payments, which are prohibited under this Agreement. In addition, you understand that we will not be able to execute any bill payment if the payee cannot or will not accept such payment.

Information Authorization

We reserve the right to obtain financial information regarding any account from a merchant or a financial institution to resolve payment-posting problems.

Right to Cancel Electronic Bill Payments

If you want to cancel any of your scheduled electronic bill payments, you must cancel the bill payment at least one day prior to the scheduled date by accessing the Bill Payment Service through Online Banking. Payments designated as "Today" transactions cannot be stopped, canceled, or changed once your Bill Payment session is terminated. We will charge you for each stop payment order you give pursuant to our Schedule of Fees and Charges. Such stop payment notice will apply only to that particular payment.

Change in Terms

We reserve the right to change any terms and conditions of our Bill Payment Service, and any applicable fees and charges. In the event we do so, we will send notice to you either by mail to your last known address or transmit such notice of the amendment electronically if you have agreed to receive notices from us in an electronic format. Your use of the Bill Payment Service following the receipt of such notice constitutes your acceptance of such amendment.

SECTION 3

MOBILE BANKING

Services

For purposes of this Agreement, "Mobile Banking" and "Mobile Banking Services" means collectively all of the financial services that we make available, and to which you have access, using a wireless device such as a cell phone, smartphone, personal digital assistant or tablet computer. To access the Mobile Banking Services, your mobile device must be Internet-enabled and connected to the Internet

through your mobile communications service provider. All features and services available through our Online Banking system are not available via Mobile Banking. By accessing Mobile Banking, you agree to comply with the terms and conditions of this Agreement. We reserve the right to refuse any transaction you request through Mobile Banking. You understand and agree that Mobile Banking may not be accessible or may have limited utility over some mobile telephone networks, such as while roaming. When you register for Mobile Banking, designated accounts linked to your account through the Online Banking system will be accessible through the Mobile Banking Services.

Minimum Mobile Communication Device Requirements

Mobile Banking is offered as a convenience and as a supplemental service to our Online Banking services. Mobile Banking allows you to access your Credit Union account information, make payments to payees, transfer funds and conduct other banking transactions. To use the Mobile Banking Services, you must be enrolled to use our Online Banking service and have a valid Account Number/User ID and Password/ID. You must also have a mobile device with a service plan that includes text messaging and data and Internet access with Secure Socket Layer (SSL) capability. Third party fees may apply for data and internet access and text messaging. Contact your mobile device carrier for additional information.

Mobile Banking Service Availability

We will use commercially reasonable efforts to make the Mobile Banking Services available for your use on a continuous basis. We do not guarantee functionality of the Mobile Banking Services on all mobile devices, on all communications networks, in all geographic regions, or at all times. Mobile Banking may be temporarily unavailable for regular or emergency system maintenance. We will endeavor to have our scheduled maintenance occur during non-peak hours, but we may conduct maintenance at any time. In addition, your accessibility to the Mobile Banking Services may be interrupted because of conditions beyond our control, including outages in Internet availability. We will use commercially reasonable efforts to re-establish the Mobile Banking Services in those instances, but we do not guarantee the Mobile Banking Services will always be available for your use.

We may elect to discontinue Mobile Banking at any time. If we choose to discontinue Mobile Banking, we will provide you with reasonable notice. In the case of a disaster, your Mobile Banking may be suspended in order to allow emergency and responding personnel to use the cellular networks. In no event, regardless of cause, will we be liable to you for unavailability of the Mobile Banking Services, or your inability to access Mobile Banking or to execute Mobile Banking functions.

Types of Available Transactions

You may use Mobile Banking to perform the following transactions:

- Make transfers between your accounts.
- Make account inquiries.
- View account histories.
- Transfers from your savings or checking account to make Credit Union loan payments.
- Initiate funds transfers to other financial institutions.

- Initiate payments or transfers to new payees or to create new payees.
- Initiate transfers to other member accounts at the Credit Union.

Mobile Device

You accept responsibility for making sure that you understand how to properly use your mobile device and Mobile Banking before you actually do so. You agree that you will not install software onto your mobile device that you are not familiar with or have not read the terms and conditions for that software. You agree to download mobile security software updates when available. Your mobile device may become subject to unauthorized tracking, “hacking” or other manipulation by spyware, viruses or other malicious code (“malware”). We are not responsible for advising you of the existence or potential effect of any malware. Your use of your hardware and software is at your own risk. In the event we change or upgrade the Mobile Banking Services, you are responsible for making sure that you understand how to use Mobile Banking as changed or upgraded. You agree that your mobile device will be locked if it is left unattended. You agree to log off of Mobile Banking at the completion of your online session. We will not be liable to you for any losses caused by your failure to properly use Mobile Banking or your mobile device.

Relationship to Other Disclosures

You agree that when you use Mobile Banking, you will remain subject to the terms and conditions of all your existing agreements with us or any service providers of yours, including service carriers or providers (e.g., AT&T, Verizon, Sprint, T-Mobile, etc.), and that these terms and conditions do not amend or supersede any of those agreements. You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of Mobile Banking (for example, your mobile service carrier or provider may impose data usage or text message charges for your use of or interaction with Mobile Banking), and you agree to be solely responsible for all such fees, limitations and restrictions. You agree that only your mobile service carrier or provider is responsible for its products and services. Accordingly, you agree to resolve any problems with your carrier or provider directly with your carrier or provider without involving us. If you have any problems with Mobile Banking, you will contact us directly.

Ownership

You acknowledge and agree that a third party provider or licensor to the Credit Union is the owner of all right, title and interest in and to the downloaded software used to access the Mobile Banking Services from the Credit Union and the computer programs contained therein in machine readable object code form as well as any accompanying user documentation along with all subsequent copies, updates or versions thereof, which are made available to you (if any), regardless of the media or form in which they may exist.

Mobile Banking Software License

Subject to your compliance with these terms and conditions, you are hereby granted a personal, limited, non-transferable and non-exclusive license (“License”) to download, install and use the software on your mobile device within the United

States and its territories. This License will be deemed revoked immediately upon (1) your termination of Mobile Banking in accordance with these terms and conditions; (2) your deletion of the software from your mobile device; or (3) our written notice to you at any time, with or without cause. If this License is revoked for any of the foregoing reasons, you agree to promptly delete the software from your mobile device.

Representations and Warranties

When you use Mobile Banking to access your accounts, you make the following representations and warranties to us:

- All information you provide to us in connection with Mobile Banking is accurate, current and complete.
- You agree to not misrepresent your identity or your account information.
- You agree to keep your account information up to date and accurate.
- You are an authorized user of the mobile device you will use to access Mobile Banking.
- You will not copy, reproduce, distribute, or create derivative works from any content delivered to you through Mobile Banking. You will not reverse engineer or reverse compile any Mobile Banking technology, including, but not limited to, any software or other mobile phone applications associated with Mobile Banking.
- You will not use the Mobile Banking Services in any way that would: (1) infringe any third-party copyright, patent, trademark, trade secret, or other proprietary rights or rights of publicity or privacy; (2) be fraudulent or involve the sale of counterfeit or stolen items, including, but not limited to, use of Mobile Banking to impersonate another person or entity; (3) directly or indirectly, constitute a crime under local, state or federal law, or in any illegal activity, including without limitation any "racketeering activity" as defined in 18 U.S.C. § 1961; (4) be false, misleading or inaccurate; (5) create liability for us or our affiliates or service providers, or cause us to lose (in whole or in part) the services of any of our service providers; (6) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (7) be perceived as illegal, offensive or objectionable; (8) interfere with or disrupt computer networks connected to Mobile Banking; (9) interfere with or disrupt the use of Mobile Banking by any other user; or (10) use Mobile Banking in such a manner as to gain unauthorized entry or access to the computer systems of others.
- You will use the Mobile Banking service for personal use only.
- You will not give or make available your Mobile Banking PIN or other means to access your account to any unauthorized individuals. You are responsible for transfers or other transactions you authorize using Mobile Banking. If you permit other persons to use your mobile device and PIN or other means to access Mobile Banking, you are responsible for any transactions they authorize.

Fees

Currently, we do not charge any fees for Mobile Banking. However, we can assess fees set forth in other agreements, disclosures or fee schedules for particular banking products or accounts (such as overdraft or funds transfer fees). We reserve the right to add to or enhance the features of Mobile

Banking and charge a fee in the future. If we decide to do so, we will provide you with a notice of change in terms in accordance with applicable law.

Lost or Stolen Mobile Device or PIN

If you believe that your PIN, mobile device or other means to access your account has been lost or stolen or that someone may attempt to use Mobile Banking without your consent, or has transferred money without your permission, you must notify us promptly by calling us at (800) 222-1226.

Termination of Mobile Banking

We may terminate your use of Mobile Banking at any time and for any reason, although your representations, warranties and obligations will remain in full force and effect nonetheless. Without limiting the foregoing, your use of Mobile Banking may be terminated if you breach any of the terms and conditions applicable to the Mobile Banking Services, if you use Mobile Banking for any unauthorized or illegal purposes, or you use Mobile Banking in a manner inconsistent with the terms of any other agreement you may have with us.

Risk of Loss

In the event of a system failure or interruption, your data may be lost or destroyed. Any transaction(s) 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 transaction(s) so affected.

SECTION 4

MOBILE REMOTE DEPOSIT CAPTURE

Mobile Deposit Service

The mobile remote deposit capture service ("Mobile Deposit Service") is designed to allow you to make deposits to your designated eligible accounts using a compatible mobile wireless device to photograph an image of an original paper check that is drawn on or is payable through a United States financial institution and to electronically submit a digital image of such paper check to us or our designated processor. Original checks are converted to "substitute checks" as such term is defined in the Check Clearing for the 21st Century Act and Federal Reserve Board Regulation CC, for deposit with the Credit Union and for processing and presentment to a collecting or paying financial institution. Your use of the Mobile Deposit Service constitutes your acceptance of the terms and conditions set forth in this Agreement.

The Mobile Deposit Service is different than our Home Deposit Service, which is explained in Section 5 below.

Fees

We do not charge any fees to use the Mobile Deposit Service. However, we may assess a fee for adjustments made to your account or checks returned unpaid. Refer to our Schedule of Fees and Charges for a complete list of fees and

charges. In addition, your mobile service carrier or provider may impose data usage or text message charges for your use of or interaction with the Mobile Deposit Service, and you agree to be solely responsible for all such fees.

Eligibility

We will automatically qualify and approve you to use the Mobile Deposit Service based on pre-established account eligibility criteria that we set from time-to-time. We reserve the right to change eligibility criteria for the Mobile Deposit Service at any time. If at any time you cease to be eligible to use the Mobile Deposit Service, your access to the service will be suspended. You will be notified that access to the Mobile Deposit Service has been suspended if you attempt to access the service during any period of ineligibility. You must access the Mobile Deposit Service through our Mobile Banking application. You must have or acquire and maintain a compatible mobile wireless device with the ability to take photographs and a wireless plan from a compatible wireless carrier or access to a secure Wi-Fi network.

Acceptance of Mobile Deposit Service Terms and Conditions

Your use of the Mobile Deposit Service constitutes your acceptance of the terms and conditions set forth in this Part 7, Section 4 of the Agreement. We reserve the right to change any term or condition of the Mobile Deposit Service at any time. We will notify you of any material change via email, or on our website, or other electronic means by providing you with the revised terms and conditions or a link to the revised terms and conditions. Your continued use of the Mobile Deposit Service after the effective date of the change will indicate your acceptance of the revised terms and conditions. In addition, we reserve the right to change, add or remove features of the Mobile Deposit Service. Your continued use of the Mobile Deposit Service will indicate your acceptance of any such changes to the Mobile Deposit Service.

Compliance with Laws

You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Mobile Deposit Service, as well as all laws relating to the banking transactions contemplated hereunder. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which we are a party that govern the Mobile Deposit Service. 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. Your obligation to indemnify us will survive termination of your account with us and this Agreement.

Unavailability of Service

You understand and agree that the Mobile Deposit Service may at times be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Mobile Deposit Service is interrupted or is otherwise unavailable, you acknowledge that you can deposit original checks in person at a Credit Union branch, at an ATM or by U.S. mail. It is your sole responsibility to verify

that items deposited using the Mobile Deposit Service have been received and accepted for deposit by us. However, we will notify you via email of items that are rejected by the next business day following rejection.

Eligible Items for Deposit

You agree only to capture images of “checks” as that term is defined in the Federal Reserve Board’s Regulation CC. You agree that the image of the check transmitted to us shall be deemed an “item” within the meaning of Articles 3 and 4 of the Uniform Commercial Code as adopted in California.

Ineligible Deposits

You understand and agree that you will not deposit the following items using the Mobile Deposit Service:

- Any third-party check, i.e., any item that is made payable to another party and then endorsed to you by such party.
- Any item drawn on your personal account at the Credit Union.
- Any item that contains evidence of alteration to the information on the check.
- Any item that is illegible.
- Any item issued to you by a financial institution in a foreign country.
- Any item not payable in United States currency.
- Any item that is dated more than six (6) months prior to the date of deposit.
- Any item that is “post-dated” after the date of deposit.
- Any item stamped “non-negotiable” (whether stamped in print or as a watermark).
- Any item that has been re-deposited or returned such as “non-sufficient funds” or “refer to maker” or returned for any other reason.
- Any item that is incomplete.
- Travelers Checks.
- Savings Bonds.
- Any item (including tax refund checks and other government checks) made payable to more than one party, unless deposited into an account owned by all of the named payees.
- Any item made payable to any person or entity other than you or any other owner on your account.

Deposits of this nature may result in the immediate termination of the Mobile Deposit Service. We may in our sole discretion, and without liability to you, refuse any check for any or no reason, or elect to take the check on a collection basis only. We reserve the right to charge back to your account, at any time, any item that we subsequently determine was an ineligible item. We are not liable for any service or late charges assessed against you 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.

Deposit Limits

We have established limits on the dollar amount you may deposit using the Mobile Deposit Service. If you attempt to initiate a deposit in excess of the dollar amount limits, we can reject your deposit. If we permit you to make a deposit in excess of the dollar amount limit, such deposit will still be

subject to this Agreement, and we will not be obligated to allow such a deposit at other times. Current deposit limits are \$100,000.00 for one check with the maximum immediate available amount of \$10,000.00 for unprocessed deposits.

Check Requirements

Any image of a check that you transmit to us must accurately and legibly provide all of the information on the front and back of the check. Prior to electronically transmitting a digital image of the original check, you should restrictively endorse any item transmitted through the Mobile Deposit Service as "For mobile deposit only, F&A Federal Credit Union account #_____" or as otherwise instructed by us. You agree to follow any and all other procedures and instructions for use of the Mobile Deposit Service as we may establish from time to time. The digital image of the check transmitted to us using the Mobile Deposit Service must accurately and legibly provide, among other things, the following information: (1) your endorsement; (2) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signatures; and (3) 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 of the check must comply with the requirements established from time to time by the American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve Board, including the requirements under federal Regulation CC, or any other regulatory agency, clearing house or association.

Receipt of Items

Upon receipt of the digital image, we will review the image for acceptability and will convert items meeting our requirements into substitute checks to facilitate the deposit and collection of such items. You understand and agree that electronically transmitting a digital image of a check does not constitute receipt of the deposit by the Credit Union. Notification from us confirming receipt of an image does not mean that the check image was received error-free. We are not responsible for any image that we do not receive. We also reserve the right to reject any item transmitted through the Mobile Deposit Service, in our sole discretion, without liability to you. We will send you an email to confirm receipt of your deposit. We will send a notice to you if your deposit is rejected in whole or in part. You understand and agree that even if we do not initially reject an item you deposit through the Mobile Deposit Service, we may return the substitute check we created because, among other reasons, the paying bank deems the electronic image illegible. Our failure to reject such an item will not limit your liability to us. You understand that any amount credited to your account for items deposited using the Mobile Deposit Service is a provisional credit and you agree to indemnify us against any loss we incur because of our acceptance of the remotely deposited check.

Items Returned Unpaid

We will notify you in writing of transactions we are unable to process because of returned items. With respect to any item that you transmit to us for remote deposit that we credit

to your account, in the event such item is dishonored, you authorize us to debit the amount of such item from your account, plus a Deposited/Cashed Item Returned Fee as stated in our *Schedule of Fees and Charges*.

Funds Availability

You understand that following our receipt and processing of the image, funds from the check will be made available for your withdrawal and/or use in accordance with the terms and conditions of our *Funds Availability Policy* previously provided to you, as amended from time to time, which is incorporated herein by reference. For purposes of determining the availability of funds, checks deposited via the Mobile Deposit Service are considered "received" by the Credit Union when you receive a notification from us that states "Deposit Processed." You understand that we may make such funds available sooner based on such factors as creditworthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant. You also understand that credit is provisional until settlement is final.

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 remote deposit items. You may update your email address in Online Banking.

Check Retention and Destruction

Upon your receipt of a confirmation from us that we have received the image of an item, you agree to prominently mark the item as **"Electronically Presented"** or **"VOID"** to ensure that it is not represented for payment. You agree to securely store each original check that you deposit using the Service for a period of sixty (60) days after transmission to us in order to verify settlement and credit or to balance periodic statements. After such period expires, you will destroy the original check. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks. You agree never to represent the check. During the retention period, you will promptly provide any retained check, or a sufficient copy of the front and back of the check, to us as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for our audit purposes. If you are unable to provide a sufficient copy of the front and back of the check you will be liable for any unresolved claims by third parties.

Periodic Statement and Your Duty to Report Errors

Any deposits made through the Mobile Deposit Service will be reflected on your monthly periodic statement. You understand and agree that you are required to immediately notify us by telephone at (800) 222-1226 or in writing at F&A Federal Credit Union, P.O. Box 30831, Los Angeles, CA 90030-0831, of any suspected error relating to images transmitted using the Mobile Deposit Service by no later than sixty (60) days after the date of 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.

Ownership and License

You agree that we retain all ownership and proprietary rights in the Mobile Deposit Service, associated content, technology, and website(s). Your use of the Mobile Deposit 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 Service. Without limiting the restriction of the foregoing, you may not use the Mobile Deposit Service (i) in any anti-competitive manner; (ii) for any purpose which would be contrary to our business interest; or (iii) to our actual or potential economic disadvantage in any aspect. 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 Mobile Deposit Service.

Representations and Warranties

You make the following representations and warranties with respect to your use of the Mobile Deposit Service and each image of an original check you transmit to us using the Mobile Deposit Service:

- Each image of a check transmitted to us 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.
- The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- Each check that you submit to us for deposit will not be resubmitted in any format to us or to any other person for payment and will not cause the same drawer's account to be debited twice.
- Other than the digital image of an original check that you remotely deposit through the Mobile Deposit Service, there are no other duplicate images of the original check.
- 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.
- You have not knowingly failed to communicate any material information to us.
- You will retain possession of each original check deposited using the Service for the required sixty (60) day retention period and neither you nor any other party will submit the original check for payment.
- You will destroy the original check after the required retention period.
- You will not use the Service and/or your accounts for any illegal activity or transactions.
- Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.
- Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories.

Indemnification

You agree to indemnify, defend and hold harmless the Credit Union and its directors, officers, employees, members and agents from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees), claims, damages, liabilities and causes of action of third parties resulting or arising from: (1) your failure to abide by or perform any obligation imposed upon you under this Agreement; (2)

your willful misconduct, fraud, criminal activity, intentional tort or negligence involving use of the Mobile Deposit Service; (3) your actions, omissions or commissions relating to the Mobile Deposit Service; and (4) any transmission or instruction, whether or not authorized, acted upon by the Credit Union in good faith. Your obligations under this paragraph will survive termination of this Agreement.

Termination of the Mobile Deposit Service

You may log in to online banking to terminate the Mobile Deposit Service. We may terminate your use of the Mobile Deposit Service at any time upon written notice. In the event of termination of the Mobile Deposit Service, you will remain liable for all transactions performed on your account. Upon termination, you will immediately cease using the Mobile Deposit Service. We may immediately suspend or terminate your access to the Mobile Deposit Service in the event that we reasonably determine such suspension or termination is necessary in order to protect the Mobile Deposit Service or us from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Agreement or are otherwise using the Mobile Deposit Service in a manner inconsistent with the terms of this Agreement or with applicable law.

SECTION 5

HOME DEPOSIT SERVICE

Home Deposit Service

The Home Deposit Service is designed to allow you to make deposits to your designated eligible accounts by logging in to Online Banking and posting certain check deposits using the F&A Home Deposit icon. You may enroll in the Home Deposit Service via Online Banking. The Home Deposit Service is different than our Mobile Deposit Service (explained in Section 4 above) because the Home Deposit Service does not require you to take a photograph of the original paper check or electronically submit a digital image of the check to us. Home Deposit does require that you mail in the check for processing. A deposit voucher, which is a printable receipt of your deposit, may be included with your deposit.

Eligibility

We will automatically qualify and approve you to use the Home Deposit Service based on pre-established account eligibility criteria that we set from time-to-time. We reserve the right to change eligibility criteria for the Home Deposit Service at any time. You must access the Home Deposit Service through Online Banking.

How to Make a Deposit Using the Home Deposit Service

You must follow these instructions when making a deposit via the Home Deposit Service:

- You must properly endorse all checks. All payees must endorse checks.
- You must write your Member Number and "For Deposit Only" under your signature on the back of each check.
- Each time you use the Home Deposit Service to make a check deposit, we will provide you with a tracking

number that we refer to as the "Deposit Reference Number." You must write the Deposit Reference Number on the Deposit Envelope and on the front of all checks that you deposit via the Home Deposit Service.

- The deposit number will automatically be populated onto each Deposit Voucher that you may print and mail with the check.
- You must ensure that the item(s) being deposited is/are received by F&A Federal Credit Union within fifteen (15) calendar days of your posting the deposit via the Home Deposit Service. You must use F&A Federal Credit Union Deposit Envelopes to mail the original paper check(s) to the Credit Union. As used herein, "Deposit Envelope" means the Credit Union's green, pre-printed envelopes that are required for mailing check deposits using the Home Deposit Service. Deposit Envelopes are supplied by the Credit Union and may be ordered online via the Online Banking Service.

You may use your own envelope to mail original paper checks to the Credit Union. Should you choose to use your own envelope, it must be addressed exactly as follows:

F&A FEDERAL CREDIT UNION
P.O. BOX 2014
MONTEREY PARK, CA 91754-9904

Failure to address the envelope properly may delay the processing of your deposit and jeopardize your access to the Home Deposit Service.

You may not include any other Credit Union correspondence in the Deposit Envelope other than your checks.

If we do not receive the original paper check(s) within fifteen (15) calendar days, the deposit will be reversed from your account and we may terminate your access to the Home Deposit Service. We may, but are not obligated to, send you a reminder notice to the email address on file five (5) days before the deposit is due. If your deposit is not received by the fifteenth (15th) calendar day after the day of deposit, we will send you a notice via email that the deposit has been rejected.

- You must ensure that all check information (including the check number, date and amount) exactly matches the information on the Deposit Voucher.
- You may not submit checks deposited via the Home Deposit Service at a Credit Union Service Center, ATM, via Mobile Banking or at a kiosk.

Deposit Limits

We have established limits on the dollar amount you may deposit using the Home Deposit Service. If you attempt to initiate a deposit in excess of the dollar amount limits, we can reject your deposit. If we permit you to make a deposit in excess of the dollar amount limit, such deposit will still be subject to this Agreement, and we will not be obligated to allow such a deposit at other times. Current deposit limits are \$100,000.00 for one check with the maximum immediate available amount of \$10,000.00 for unprocessed deposits.

You will be permitted to deposit up to ten (10) checks during a single Home Deposit batch, subject to the dollar amount limit.

Ineligible Deposits

You understand and agree that you will not deposit the following items using the Home Deposit Service:

- Deposits of cash, bonds or any item stamped “non-negotiable” (whether stamped in print or as a watermark).
- Any item issued to you by a financial institution in a foreign country.
- Any item made payable to any person or entity other than you or any other owner on your account.
- Any item drawn on your personal account at the Credit Union.
- Any item drawn on your account(s) at other financial institutions unless there are sufficient funds in that account to pay the deposited items.
- Any item that contains evidence of alteration to the information on the check.
- Any third-party check, i.e., any item that is made payable to another party and then endorsed to you by such party.
- Any item that is incomplete.
- Any item that is dated more than six (6) months prior to the date of deposit.
- Any item that is “post-dated” after the date of deposit.
- Any item that is illegible.
- Any item not payable in United States currency.
- Any item that has been re-deposited or returned such as “non-sufficient funds” or “refer to maker” or returned for any other reason.
- Travelers Checks.
- Any item (including tax refund checks and other government checks) made payable to more than one party, unless deposited into an account owned by all of the named payees.

Deposits of this nature may result in the immediate termination of the Home Deposit Service. Ineligible deposits will not be processed and will be returned to you. We may in our sole discretion, and without liability to you, refuse any check for any or no reason, or elect to take the check on a collection basis only. We reserve the right to charge back to your account, at any time, any item that we subsequently determine was an ineligible item. We are not liable for any service or late charges assessed against you 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.

Funds Availability

Generally, we will give you same day availability on the funds you deposit via the Home Deposit Service up to the deposit limits set forth above, provided that the deposit is made before 4:00 p.m. PST on a business day. Funds from deposits made using the Home Deposit Service after 4:00 p.m. PST will generally be available on the next business day we are open. However, we reserve the right to place a hold on funds deposited to your account via the Home Deposit Service

in accordance with our *Funds Availability Policy* previously provided to you, as amended from time to time, which is incorporated herein by this reference.

In Case of Errors or Questions About the Home Deposit Service

If an error occurs during a Home Deposit session or you omitted an item from your Deposit Envelope, or you have a question about a deposit you made via the Home Deposit service, please call F&A Federal Credit Union at 800-222-1226. If you notify the Credit Union that you mailed one or more deposit item(s) that were deposited via the Home Deposit Service, and the Credit Union determines that your Deposit Envelope is lost in the mail or a deposit item is missing from your Deposit Envelope, you may be required to have the original maker of the check(s) reissue the check(s) to you in order to process the deposit.

Fees

We do not charge any fees to use the Home Deposit Service. However, we may assess a fee for (1) adjustments made to your account; (2) checks returned unpaid; (3) failure to include the correct electronically-generated Control Reference Number; or (4) failure to mail your original paper checks to the correct P.O. Box. Other fees may be applicable to your use of the Home Deposit Service. Refer to our *Schedule of Fees and Charges* for a complete list of fees and charges.

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 items deposited via the Home Deposit Service. You may update your email address in Online Banking.

Representations and Warranties

You make the following representations and warranties with respect to each check you deposit using the Home Deposit Service:

- The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- Each check you submit to the Credit Union has not been altered and the drawer of the check has no defense against payment of the check.
- Each check you submit to the Credit Union will not be resubmitted in any format to us or to any other person for payment and will not cause the same drawer's account to be debited twice.
- Each check you submit to the Credit Union was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- You have not knowingly failed to communicate any material information to us.
- Each check you submit to the Credit Union is drawn in United States dollars on a financial institution located in the United States, excluding its territories.

Items Returned Unpaid

We will notify you in writing of transactions we are unable to process because of returned items. With respect to any item that you submit to the Credit Union for deposit via the Home Deposit Service that we credit to your account, in the event

such item is dishonored, you authorize us to debit the amount of such item from your account, plus a Deposited/Cashed Item Returned Fee as stated in our *Schedule of Fees and Charges*.

Receipt of Items

It is your sole responsibility to verify that items deposited using the Home Deposit Service have been received and accepted for deposit by the Credit Union. However, we will send a notice to you if your deposit is rejected within two (2) business days following rejection.

PART 8

FUNDS TRANSFER AGREEMENT

Article 4A of the Uniform Commercial Code, as adopted by the State of California, and Subpart B of Regulation J, as promulgated by the Board of Governors of the Federal Reserve, are the laws and regulations that cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits, and some book transfers on the Credit Union's records. These laws and regulations are intended to establish a comprehensive legal framework covering the duties, responsibilities and liabilities of all parties involved in a funds transfer. In this PART 8, Funds Transfer Agreement, the following words have the following meanings:

- "We," "us," "our" and "Credit Union" mean F&A Federal Credit Union.
- "You," "your" and "yours" mean each person (whether one or more persons) who has a deposit account with F&A Federal Credit Union and requests F&A Federal Credit Union to send a funds transfer to a designated beneficiary.
- "Funds transfer" means the series of transactions, beginning with the originator's payment order, made for the purpose of making payment to the beneficiary of the order.
- "Payment order" means an instruction of a sender to a receiving bank, transmitted orally, electronically, or in writing, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary, provided that (1) the instruction does not state a condition to payment to the beneficiary other than time of payment; (2) the receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from the sender; and (3) the instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.
- "Beneficiary" means the person to be paid by the beneficiary's bank.
- "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order.
- "Receiving bank" means the bank to which the sender's instruction is addressed, which for purposes of this Funds Transfer Agreement, is the Credit Union.
- "Sender" means the person giving the instruction to the receiving bank.
- "Originator" means the sender of the first payment order in a funds transfer.
- "Fedwire" means the funds-transfer system owned and operated by the Federal Reserve Banks that is used primarily for the transmission and settlement of payment orders governed by Subpart B of Regulation J of the Board of Governors of the Federal Reserve. Fedwire does not include the system for making ACH transfers.

This Funds Transfer Agreement contains several notices which the Credit Union is required to provide to you and establishes other terms of agreement which will apply to all funds transfers which involve you and the Credit Union. Using the Credit Union to send or receive funds transfers will constitute your acceptance of all of the terms and conditions contained in this Funds Transfer Agreement.

To the extent that the terms contained in this Funds Transfer Agreement are different than those in any other agreement or terms of account, this Funds Transfer Agreement will control and be deemed to modify such other agreements or terms of account. If any part of this Funds Transfer Agreement is invalid, illegal, or unenforceable, the remaining provisions will remain in full force and effect.

1. This Funds Transfer Agreement applies to funds transfers as defined in Article 4A of the Uniform Commercial Code (Division 11 of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve. At this time, the Credit Union does not allow fund transfers to be made to financial institutions or to Beneficiaries located in foreign countries.
2. We may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time for all wire transfers is 12:00 p.m. Pacific Time on each business day that we are open which is not a federal holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next business day and processed accordingly.
3. We may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint owner or other authorized party with the right of access to the account from which the funds transfer is to be made (collectively, your "Authorized Agents"). You must provide us with a complete list of your Authorized Agents at the time the funds transfer is initiated, as only you and your Authorized Agents will be permitted to initiate funds transfers from your accounts at the Credit Union. You understand and agree that you are fully responsible for all transactions conducted by your Authorized Agents, regardless of whether such transactions are authorized by you or exceed the amounts of any transaction authorized by you. You must promptly notify us of any changes in your Authorized Agents by providing us with written notification of such change. Changes in Authorized Agents by you will be effective the business day following our receipt of written notice.
4. We may establish, from time-to-time, security procedures to verify the authenticity of a payment order. You understand and agree that the Credit Union may amend the security procedure(s). You will be notified at the time the payment order is requested of the security procedure(s), if any, to be used to verify payment orders issued by you or for which

your account will be liable. You agree that the authenticity of payment orders may be verified using the security procedure(s) established by the Credit Union unless you notify the Credit Union in writing that you do not agree to the specified security procedure(s). In that event, we will have no obligation to accept any payment order from you or other Authorized Agents on the account until you and we agree, in writing, on an alternate security procedure. Provided we comply with the security procedure(s) (or the security procedures as otherwise agreed, or as amended by us), you will be liable for payment of the transferred amount plus transfer fees, even if the transfer request was not actually transmitted or authorized by you. If we do not follow the security procedure(s), but can prove the transfer request was originated by you or your Authorized Agent, you will still be liable for the transfer amount plus transfer fees. You authorize us to record electronically or otherwise any telephone calls relating to any funds transfer under this Funds Transfer Agreement.

5. If you send or receive a wire transfer, Fedwire may be used. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J. We will be excused from delaying or failing to execute a funds transfer if it would result in the Credit Union's exceeding any limitation on its intra-day net funds position established through the Federal Reserve guidelines or if it would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of other governmental regulatory authorities.
6. If you give us a payment order which identifies the beneficiary by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible if the funds transfer is completed on the basis of the identifying account number you provided us.
7. If you give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person or institution than the named financial institution. This means that you will be responsible for any loss or expense incurred by a receiving financial institution which executes or attempts to execute the payment order in reliance on the identifying number you provided.
8. The Credit Union will not be liable for acts or omissions by you or any other person including, without limitation, any funds transfer system, any Federal Reserve Bank, any beneficiary's bank, and any beneficiary, none of which will be deemed the Credit Union's agent.
9. We may give you credit for ACH payments before we receive final settlement of the funds transfer. Any such credit is provisional until we receive final settlement of the payment. You are hereby notified and agree that if the Credit Union does not receive such final settlement it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means

that we may provide you with access to ACH funds before we actually receive the money. However, if we do not receive the money, then we may reverse the entry on your account and you will be liable to repay us.

10. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, we will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.
11. If we receive a funds transfer for you or for other persons authorized to have access to your account, you agree that we are not obligated to provide you with next day notice of the receipt of the funds transfer. We will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received. If we receive notice that a wire transfer transmitted by us has been rejected, we will notify you of such rejection (including the reason given for rejection) by telephone, electronic message, or U.S. mail. We will have no further obligation to transmit the rejected wire transfer if it complied with this Funds Transfer Agreement with respect to the original transfer request.

You have no right to cancel or amend any transfer request after it is received by us; however, we will use commercially reasonable efforts to act on a cancellation or change request as long as it is received from you in accordance with the agreed-upon security procedures. We will have no liability if the cancellation or change is not effected.

12. If we become obligated under Article 4A of the Uniform Commercial Code (Division 11 of the California Uniform Commercial Code) to pay interest to you, you agree that the dividend rate to be paid will be equal to the interest rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.
13. We may, in its sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in your designated account(s); (2) is not authenticated to the Credit Union's satisfaction or which we reasonably believes may not be authorized by you; (3) contains incorrect, incomplete, or ambiguous information; (4) involves funds subject to a lien, hold, dispute, or legal process pending their withdrawal; or (5) involves a transfer that is prohibited under applicable law, rule, or regulation. You understand and agree that we will incur no liability for any loss occasioned by our refusal to accept any funds transfer order.
14. We will have the right to charge the amount of any funds transfer request to any of your accounts at the Credit Union in the event that no account is designated, or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request. We

may charge a service charge for services relating to the sending or receiving of the funds transfer request. Such charge(s) are set forth in the Credit Union's *Schedule of Fees and Charges*, which accompanies this Funds Transfer Agreement and is incorporated herein by this reference.

15. Except as expressly prohibited by applicable state and federal laws and regulations, you understand and agree that we will not be liable for any loss or liability arising from: (1) any unauthorized transfer or interest thereon (including, but not limited to, fraudulent transfers and/or a transfer which we failed to abide by the agreed upon security procedures) which you fail to report to us within thirty (30) days after your receipt of notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within our reasonable control, including, but not limited to, the failure of other financial institutions to provide accurate or timely information; (3) the failure of other financial institutions to accept a funds transfer order; (4) your negligent or intentional action or inaction and/or breach of this Funds Transfer Agreement; (5) any ambiguity or inaccuracy in any instruction given to us by you or your Authorized Agent(s); or (6) any error, failure, or delay in execution of any funds transfer instruction, or cancellation or amendment caused by circumstances beyond the Credit Union's reasonable control, including, but not limited to, any computer or communication facilities malfunction.

Except as otherwise provided by applicable state or federal laws or regulations, the Credit Union's liability for any negligent or intentional action or inaction in connection with any funds transfer request will be limited to your direct loss and payment of interest. **UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES WHICH YOU MAY SUFFER IN CONNECTION WITH THIS FUNDS TRANSFER AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST.**

16. Subject to applicable state and federal laws and regulations, we may amend the terms of this Funds Transfer Agreement at any time by providing notice of such amendment to you in writing. By thereafter using or continuing to use the Credit Union's funds transfer services, you agree to such amendments.
17. Except as otherwise expressly provided by applicable state and federal laws and regulations, this Funds Transfer Agreement and all transactions initiated hereunder will be governed by and constructed in accordance with the internal laws of the State of California, notwithstanding any conflict of laws doctrines of such state to the contrary.