
Business Electronic Services Agreement and Disclosure

This Business Electronic Services Agreement and Disclosure (“Agreement and Disclosure”) describes your rights and obligations as a user of SkyOne Federal Credit Unions’ (“Credit Union”) Online Banking System, Mobile Banking System, Bill Payment System, and Remote Deposit Capture Service (“RDCS”) (collectively, the “Services”). In addition to this Agreement and Disclosure, you and the Credit Union agree to be bound by and comply with the requirements of the Business Account Agreement and Disclosures and any other Agreements applicable to each of your accounts. In the event of an inconsistency between the terms and conditions of this Agreement and Disclosure and the terms and conditions of other Agreements provided to you, this Agreement and Disclosure will govern to the extent of such inconsistency. Your use of these systems is your acknowledgment that you have received this Agreement and Disclosure and intend to be bound by it. You should review all other disclosures, including any charges that may be imposed, as listed in the Business Account Schedule of Service Charges accompanying those disclosures and located on the Credit Union’s website (“Service Fees”).

In this Agreement and Disclosure, the words "you" and "your" mean the member business that applied for and/or uses the Services described in this Agreement and Disclosure. The words "we", "us", "our", "ours", and "Credit Union" mean SkyOne Federal Credit Union.

1. DEFINITIONS

The following definitions apply in this Agreement and Disclosure:

“Access Device” means an Internet-enabled electronic device used to establish a connection to the Service;

"Account" means the Credit Union account from which you will be conducting transactions using a Service.

“Administrator” refers to a person appointed by you with the authority to use the Services on your behalf and that has authority to appoint Business User(s) (with respect to the Account(s)). "Authorized Representative" refers to a person with authority to use the Services, including without limitation you, Administrator(s) and Business User(s) (with respect to the account);

"Bill Payment" is the online service that enables the scheduling of bill payments using a personal computer or mobile device;

“Business Days” are our business days Monday through Friday. Saturdays, Sundays, and Federal Reserve Bank Holidays are not considered business days; “Business User” refers to a person that has been authorized by an Administrator to use the Services on your behalf (with respect to the Account(s));

ISP" refers to your Internet Service Provider;

"Online Banking" is the internet-based service providing access to your Credit Union account(s);

"Password" is a member-generated code selected by Authorized Representatives for use during sign-on, that establishes a connection to the Service;

"PC" means your personal computer which enables you, with the Internet browser and ISP, to access your Online Account;

"Username" is a member-generated identification selected by Authorized Representatives, which is used in conjunction with their respective Password that establishes a connection to the Service;

"We," "us," "our," and "Credit Union" refer to SkyOne Federal Credit Union which offers the Services and which holds the accounts accessed by the Services; and

"You" or "your" refers to the owner of the account(s) or the Authorized Representative and all of those who use the Services.

2. ACCESS TO SERVICES

- a. We will notify you of which of the Services you have approved to use and when such Services become available to you. If you request additional Services in the future, and are approved for their use, they will also be governed by this Agreement and Disclosure. The Credit Union will provide instructions on how to use the Services. You will gain access to your accounts through the use of your Internet-enabled device, your ISP, your Password and your Username. You may access your accounts 24 hours a day, seven (7) days a week. However, availability of the Services may be unavailable for brief periods of time for purposes of maintenance, updating the software, or to maintain the security of the Services.
- b. Accounts. Your application may list certain accounts that you wish to access with the Services. If it includes the accounts of your parent company, subsidiaries or affiliates, you warrant that they have authorized you to access their accounts through the Services in the same manner as your own accounts. You agree to provide us with their written authorization, in form and substance acceptable to us, evidencing that authority, and to notify us immediately in writing of any change to that authorization.

You will need to designate certain accounts for specific purposes in connection with some of the Services. If you link more than one checking account to our wire or ACH Services, for example, you will need to specify the account from which transfers should be made.

- c. Administrator. You will need to appoint an Administrator who will be authorized to use the Services on your behalf and who has the authority to authorize Business User(s) to use the Services on your behalf. Your Administrator will create security codes for you and each Business User, as well as limits on each Business User's authority to access information and conduct transactions. You assume sole responsibility for the actions of your Administrator, the authority he or she gives others to act on your behalf, and the actions of the persons designated by the Administrator to use the Services. A dual Administrator(s) may also be created for the purpose of requiring oversight of the Administrator.

Your Administrator will need to designate which accounts will be utilized for Service payments and transfers. If your Administrator designates an account that requires more than one signature for the withdrawal or transfer of funds, you agree that we may act upon any Service instruction that is accompanied by the security code(s) designated by you or

your Administrator for that account and the Service in question. Note: This may mean that we will act upon the instruction of only ONE person (e.g., to wire funds), even though the signature card for the account in question requires two or more signatures on checks. As long as an instruction is accompanied by the designated security codes, the transaction will be deemed authorized by you.

- d. You will be required to register your email and/or phone number in order to access and maintain access to online and mobile banking. This will allow for the delivery of the verification code needed when first registering for Online or Mobile Banking. This second form of identification will be required when the system does not recognize the device, browser or if you recently deleted cookies and cache.
- e. The Credit Union's Electronic Fund Transfer Disclosure (found in the "Business Account Agreement and Disclosures Booklet") governs use of your PIN and is incorporated herein by this reference as if set forth in full. In the event any provision in the Electronic Fund Transfer Disclosure conflicts with any provision in this Agreement and Disclosure, the parties agree that this Agreement and Disclosure shall control.
- f. User Guides and Security Procedures. We may provide you with a User ID and/or passwords (collectively, a "Security Code") to access the Services. We may also provide you with operating procedures and user guides ("User Guides") in connection with certain Services. You agree to: (a) comply with the User Guides and procedures that we provide to you; (b) take reasonable steps to safeguard the confidentiality and security of the Security Code, the User Guide, and any other proprietary property or information we provide to you in connection with the Services; (c) closely and regularly monitor the activities of employees who access the Services; and (d) notify us immediately if you have any reason to believe the security or confidentiality required by this provision has been or may be breached. Our security procedures are not designed for the detection of errors (e.g., duplicate payments or errors in your fund transfer instructions). We will not be obligated to detect errors by you or others, even if we take certain actions from time to time to do so.

You agree to change the passwords you assign to your employees on a regular basis, but no less frequently than every 90 days. You agree to change your temporary passwords promptly after you are given access to the Services for the first time and whenever anyone who has had access to your Security Code is no longer employed or authorized by you to use the Services. We may require you to change your Security Code at any time. We may deny access to the Services without prior notice if we are unable to confirm (to our satisfaction) any person's authority to access the Services or if we believe such action is necessary for security reasons.

Each time you make a transfer or payment with a Service, you agree that our security procedures are commercially reasonable (based on the normal size, type, and frequency of your transactions). Some of our Services allow you or your Administrator to set transaction limitations and establish internal controls. Your failure to set such limitations and implement such controls increases your exposure to, and responsibility for, unauthorized transactions. You agree to be bound by any transfer or payment order we receive through the Services, even if the order is not authorized by you, if it includes your

Security Codes or is otherwise processed by us in accordance with our security procedures.

- g. Username and Password. Your Username and Password are unique to you. Please do not share these with anyone. If you have forgotten your User Name or Password, click the "*Forgot Username/Password?*" link from the Credit Union's website to reset these login credentials.
- h. Use of Your Security Password. You are responsible for keeping your Username, Password and account information confidential. In order to protect yourself against fraud, you should adhere to the following guidelines:
- Do not give out your account information, Password, or Username;
 - Do not leave your PC unattended while you are in the Credit Union's Online Banking Site;
 - Do not leave your device unattended or accessible to another person;
 - Never leave your account information within range of others; and
 - Do not send privileged account information (account number, Password, etc.) in any public or general e-mail system.

If you believe your Password has been lost or stolen, please use the Password change feature within the Security section of Online Banking to change your Password.

- i. Minimum System Requirements. In order to receive and review the Disclosures electronically and conduct electronic transactions through these Services, the following computer system requirements must be satisfied:
- An Internet Service Provider (i.e. AT&T, Spectrum, Verizon, etc.);
 - Minimum Screen Resolution (1024x768);
 - JavaScript enabled;
 - Cookies enabled (first- and third-party cookies);
 - Pop-up blocker enabled;
 - PDF Reader compatible; and

Please be sure you are using the most up to date versions of the browsers listed below.

1. Microsoft Internet Explorer
2. Microsoft Edge
3. Mozilla Firefox
4. Safari
5. Google Chrome
6. Opera

In addition, you must have and maintain a printer capable of printing any Disclosures that are e-mailed to you and/or made available on our website. In the alternative, you must have and maintain the ability to electronically save and visually display on your computer screen any Disclosures that are e-mailed to you and/or made available on our website.

You understand that we do not make any warranties on equipment, hardware, software, Internet service provider, or any part of them, expressed or implied, including, without limitation, any warranties of merchantability or fitness for a particular purpose.

- j. Equipment. You are responsible for providing and maintaining any equipment that is necessary for the Services, such as telephones, terminals, modems and computers. You agree to use equipment that is compatible with our programs, systems and equipment, which we may change from time to time. We assume no responsibility for the defects or incompatibility of any computers or software that you use in connection with the Services, even if we have previously approved their use. **WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR OF MERCHANTABILITY, WITH RESPECT TO THE SERVICES, OR ANY COMPUTER PROGRAMS, EQUIPMENT OR SOFTWARE MADE AVAILABLE TO YOU.** You agree to notify us promptly if any software or equipment we provide to you becomes defective. Our sole responsibility (if any) in such instances will be to repair or replace the defective software or equipment.

You agree to comply with the terms of any software license(s) provided to you in connection with the Services. You may not transfer, distribute copy, reverse compile, modify or alter such software. Unless otherwise agreed by us in writing, the computer programs, Service guides, security procedures, software and systems provided to you in connection with the Services represent our proprietary property and must be returned to us upon request.

- k. Service Fees. We may amend our Service pricing from time to time. Certain prices are subject to change without prior notice. Special or additional Services performed at your request will be subject to additional terms and fees.

In addition to the Service Fees, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Services, this Agreement, and/or the software or equipment made available to you (excluding any income tax payable by us). You also are responsible for the costs of any communication lines and any data processing charges payable to third parties.

3. SERVICES

a. Online Banking Services

Transactions Available with Online Services

You may use your Services to perform the following transactions:

- Obtain a loan advance from your Line of Credit by transfer to another Credit Union account.
- Obtain a cash advance from your credit card by transfer to another Credit Union account.
- Transfer funds to/from your Share, Checking, or Money Market Accounts.
- Transfer funds from your account to another member's account.

- Transfer funds from a Share, Checking, or Money Market to make loan or credit card payments.
- Review Loan product offers from the Credit Union.
- Apply for a loan
- Open a new account
- Schedule transfers from your account to another account or loan.
- All transactions may be subject to later verification by the Credit Union.

b. Bill Payment Service

- c. Make a loan payment by Debit Card
- d. Transfer funds to and from Sky One to another institution
- e. Obtain statement and check images
- f. Place a stop payment on a check you have written
- g. Reorder Checks
- h. Add Travel Notes
- i. Description of Service. The Bill Payment Service permits you to use your Internet-enabled device (computer, tablet or mobile device) to direct payments from your designated online Bill Payment Account to third parties you wish to pay (businesses or individuals). Your designated Bill Payment Account must be a checking account.

By submitting a payment request through the Bill Payment Service, you authorize us and our providers to remove funds from your designated Bill Payment Account in the amount and at the frequency you request, on the dates indicated on screen messages within the Bill Payment Service when you setup the Bill Payment. In order to successfully make payments through the Bill Payment Service, you must provide accurate and complete information to us that allows us to identify the payee, and for the payee to be able to identify you as the sender of the payment. You also acknowledge that, from time to time, certain payees may update or change their information, such as the address where Bill Payments should be sent. While we will attempt to update or change such information as provided to us by the payee, you agree that we have no obligation to do so and it is your sole responsibility to change or update payee information you receive from the payee.

All payments you make will be deducted from the checking account that you designate as your Bill Payment Account for the Bill Payment Service. Any payments you wish to make through this Service must be payable in U.S. dollars to a payee located in the United States. We reserve the right to restrict types of payees or specific payees to whom payments may be made using the Service from time to time.

You should not use the Bill Payment Service to make payments to settle securities purchases, payments to interest bearing accounts, tax payments, payments to government agencies, court ordered payments, gambling debts or any payments otherwise prohibited by law. Payments for these payees are prohibited, but if such a payment is processed through the Bill Payment Service, the payment will be your sole responsibility, including if the payment is delayed or improperly processed or credited.

- j. Scheduling Payments. Funds must be available in your Bill Payment Account on the scheduled payment date. If the date you schedule a payment to be initiated falls on a non-

Business Day (Saturday, Sunday, or holiday), funds must be available in your Bill Payment Account the following Business Day (e.g. Monday). After funds are withdrawn from your Bill Payment Account to make a payment, we may make the payment either by transferring funds electronically (using the Federal Reserve Banks' ACH system) to the payee or by mailing the payee a check.

Payments scheduled via bill pay will be delivered in two (2) to five (5) Business Days, depending on the method. For payees that accept electronic payments, they will receive the payment within two (2) Business Days after the scheduled send on date. If the payee does not accept electronic payments, a check will be issued and mailed to the address you provide. This is a default method used to ensure that the delivery of the payment is made, even if we're (bill pay provider) is unable to validate the payee, address or account number. The funds are debited from the linked account on the delivery date. Payments made by check are debited when the check clears against your account.

While we will make commercially reasonable efforts to deliver your payments made through the Bill Payment Service by the designated delivery date, you acknowledge that circumstances beyond our control may cause delays in the delivery, handling, or posting of payment. **YOU ACKNOWLEDGE AND AGREE THAT IT IS YOUR RESPONSIBILITY TO PREVENT ANY DELAY IN THE DELIVERY OF PAYMENTS, AND YOU CAN PREVENT SUCH DELAYS BY SCHEDULING DELIVERY OF YOUR PAYMENT IN ADVANCE OF YOUR PAYEE'S ACTUAL DUE DATE. WE ARE NOT RESPONSIBLE FOR ANY DELAYS CAUSED BY THE POSTAL SERVICE, YOUR PAYEE, OR ANY OTHER PARTY BEYOND OUR REASONABLE CONTROL.**

k. Your Responsibility to Monitor Payments. The Credit Union is only responsible for exercising ordinary care in processing and sending payments upon your authorization in accordance with this Agreement and Disclosure. The Credit Union will not be liable in any way for damages you incur for any of the following reasons:

- you do not have available funds in your Bill Payment Account to make the payment on the processing date;
- delays in mail delivery;
- changes to the payee's address or account number unless we've been advised of the change by you in advance;
- the failure of any payee to correctly account for or credit the payment in a timely manner; or
- any other circumstances beyond the control of the Credit Union.

The session during which you schedule a payment, the Credit Union will consider the request to be received on that Business Day. Otherwise, it will be considered received on the following Business Day. For all entries made using the Bill Payment Services, the time recorded by the Online Banking Service or Mobile Banking Service will be considered the official time of the transaction, even if such time differs from the time on your computer or other device you use to initiate the payment.

If your Bill Payment Account does not have available funds to make a payment as of the date the payment is debited to your account, the Bill Payment Service will automatically block future Bill Payment requests until the account has available funds to make the payment. The Credit Union will attempt to notify you by e-mail or U.S. Postal Mail, but the Credit Union shall have no obligation or liability if it does not complete a payment because there were not available funds in your account to process the payment. In all cases, you are responsible for either contacting the Credit Union at 1800.421.7111 to either make alternate arrangements for the payment or reschedule the payment through the Service. In the case of fixed payments, only the payment currently scheduled will be impacted. Fixed payments scheduled for future dates will not be affected.

- I. Cancel or Change Payment Instructions. Payments must be changed or canceled using the Bill Payment Service prior to 2:00 p.m. PT on the Business Day the transaction is scheduled to be initiated. If you ask us to cancel a payment after it is issued and we agree to do so, we may charge you a stop payment fee, NOTE this only applies to bill payments issued and mailed by check and not for ACH bill payments. Stop payment orders whether oral, written, or electronic, will be in effect for a period of six (6) months. If requested by the Credit Union, you will confirm any stop payment order in writing. After six (6) months, any stop payment will terminate and must be renewed in order to continue in effect. The Credit Union may pay any item that is presented following the lapse of any stop payment order.

- m. Multiple Person Bill Payment Accounts. If more than one person has access to a Bill Payment account, each person may individually enroll in the Bill Pay Service. Each enrolled person needs a unique Username and Password but may choose to use the same payee list. Each individual may terminate her/his enrollment in the Bill Payment Service without affecting the Service for any other person enrolled in that Bill Payment account. However, any enrolled person may terminate the Bill Payment Service which will terminate the service for all enrolled persons on that Bill Payment account.

- n. Service Limitations. The following are limitations to the use of the Credit Union's Bill Payment Service:

Business:

- The maximum amount for each bill payment is \$50,000.
- Payments will be made by check or ACH, if payable to a company.
- Payments will be made by check, if payable to an individual.

Individual:

- The maximum amount for each bill payment is \$3,000.
- The maximum daily limit is \$6,000.
- Payment will be made by ACH.

Payments cannot be initiated for tax payments, court-ordered payments, payments to any federal, state, local government payees, payments to payees outside of the United States, gambling debts, or any other payments prohibited by law.

You cannot stop a payment if the payment has already been processed.

o. Mobile Banking Service

- i. Mobile Banking features and services may vary depending on the method of Mobile Banking the Credit Union offers and the method the member selects. Using an appropriate mobile phone, tablet, or similar device, you will be able to use the SkyOne Federal Credit Union's Mobile Banking service by downloading the mobile application from the appropriate application store for your device.
- ii. Additional Transactions Available with Mobile Banking Services. In addition to the transactions listed in the Online Banking and Bill Pay section, you may use your Mobile Banking Services to perform the following transactions:
 - Deposit a check using Remote Deposit Capture Service
 - Find a nearby Co-Op ATM machine
 - Find a nearby Co-Op Shared Branch Credit Union
 - Perform Person to Person Transactions (P2P)
 - Block open cards
 - Set up alert and eNotifications

All transactions may be subject to later verification by the Credit Union.

- iii. Prerequisites. In order to access the Service, you must use a mobile device with a certified mobile carrier and your device must be Internet-enabled and connected to the Internet through a mobile communications service provider. We do not guarantee functionality of the Service on all mobile devices, on all communication networks, in all geographic regions, or at all times. The Service is not certified to operate for users trying to access it while outside the United States. We are authorized to act upon instructions we receive with respect to the Service under your Username and Password and you are liable for all transactions made or authorized with the use of your Username and Password. We have no responsibility for establishing the identity of any person who uses your Username and Password. You agree that if you give your Username and Password to anyone or fail to safeguard its secrecy, you do so at your own risk.

In order to access the Service, your mobile device must be enabled to receive and transmit data and must include texting functionality and allow up to 160 characters (including spaces) in a single message and Internet access. Also, you must ensure that your cell phone carrier is not blocking short codes. You understand that you are responsible for ensuring the security of your mobile device, including locking the device when it is not in use, logging off the Service after completing your session, and promptly installing security software updates when available. You agree not to install software that you are unfamiliar with on your mobile device. You acknowledge that

your mobile device may become subject to unauthorized tracking, "hacking," or other manipulation by spyware, viruses, or other malicious code, and you understand that your use of the mobile device and related software is at your own risk.

- iv. Implementation. SkyOne Federal Credit Union and/or its third-party service provider will provide implementation services for the Service. Your access to the Service will be blocked in the event your Username and Password are entered incorrectly on 5 consecutive attempts. If this happens, please contact the Credit Union at 1800.421.7111 during regular business hours.
- v. Changes to the Authorized Service. The Service may be modified from time to time for purposes including, but not limited to, ensuring compatibility with mobile devices that may be offered in the future, and protecting the security of the Service.
- vi. Representations and Warranties. When you use the Service to access your accounts, you make the following representations and warranties to the Credit Union:
- All information you provide us in connection with the Service is accurate, current and complete, and that you have the right to provide such information to us for the purpose of operating the Service. 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 the Service.
 - You will not copy, reproduce, distribute, or create derivative works from any content delivered to you through the Service. You will not reverse engineer or reverse compile any Service technology, including, but not limited to, any software or other mobile phone applications associated with the Service.
 - You will not give or make available your Username or Password, or other means to access your account to any unauthorized individuals. You are responsible for transfers or other transactions you authorize using the Service. If you permit other persons to use your mobile device, the Username, and/or Password, or other means to access the Service, you are responsible for any transactions they authorize.
- p. Agreement. By using the Service, you acknowledge that you have reviewed and agree to the terms and conditions of the Service under this Agreement and Disclosure. You also agree that the Credit Union is not responsible for messaging charges assessed by your mobile carrier for the use of Mobile Banking.
- viii. Mobile Banking Device Acknowledgement. You hereby activate your mobile device/phone for SkyOne Federal Credit Union's Mobile Banking ("Service"). Your use of the Service constitutes acceptance of this Mobile Banking Service Agreement and Disclosure. In order to remain eligible for the Service, you must adhere to the requirements of this Agreement and Disclosure.
- q. Remote Deposit Capture Service**

- i. Services. The business remote deposit capture services (“Services”) are designed to allow you to make deposits to your business account from remote locations by electronically transmitting a digital image of your paper checks to us or our designated processor. There is currently no charge for the Services. 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. For purposes of this Agreement, a “substitute check” (as defined in Regulation CC) is a check reproduction of an original check that:
 - a. Contains an image of the front and back of the original check;
 - b. Bears a MICR line that contains all the information appearing on the MICR line of the original check at the time the original check was issued and any additional information that was encoded on the original check’s MICR line before an image of the original check was captured.
 - c. Conforms in paper stock, dimension, and otherwise with ANSI X9.100-140 and
 - d. Is suitable for automated processing in the same manner as the original check.

To use the Services, you agree to execute and be bound by the terms of the Business Remote Deposit Capture Agreement.

- ii. Member Eligibility. You understand that you must be a Credit Union member for at least 1 day and be a member in good standing to be eligible to enroll in the Services. Eligibility will be based on risk criteria defined by the Credit Union.
- iii. Acceptance of these Terms. Your use of the Services constitutes your acceptance of this Agreement. You agree to comply with the hardware and software requirements set forth herein. We reserve the right to change the terms and charges for the Services described in this Agreement by notifying you of such change in writing and we may amend, modify, add to, or delete from this Agreement from time to time. Your continued use of the Services will indicate your acceptance of the revised Agreement.
- iv. Compliance with Laws. You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Services, 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 Services we provide. You promise to indemnify and hold us harmless from any damages, liabilities, costs, expenses (including attorneys’ fees) or other harm arising out of any violation thereof. This indemnity shall survive termination of your account with us and this Agreement.

- v. Unavailability of Services. You understand and agree that the Services 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 Services are interrupted or are 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 Services 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.
- vi. Eligible Items for Deposit. You agree to deposit only “checks” as that term is defined in Federal Reserve Board Regulation CC. You agree that the image of the check transmitted to us shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code as adopted in California. For purposes of this Agreement, “check” (as defined in Regulation CC) means a negotiable demand draft that is drawn on:
- a. Or payable through or at an office of a bank or credit union;
 - b. A Federal Reserve Bank or a Federal Home Loan bank;
 - c. The Treasury of the United States;
 - d. A state or local government that is not payable through or at a bank or credit union;
 - e. A United States Postal Service money order; or
 - f. A Traveler’s check drawn on or payable through or at a bank or credit union.

For purposes of this Agreement “item” (as defined in Article 4 of the California Commercial Code) means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a payment for ACH or wire transfers.

- vii. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits or payments that you transmit using the Services and to modify such limits from time to time. Limits will be imposed based on risk criteria defined by the Credit Union.
- viii. Unacceptable Deposits. You understand and agree that you will not deposit the following items using the Services:
- a. Any third-party check, i.e., any item that is made payable to another party and then endorsed to you by such party.
 - b. Any item drawn on your personal account at the Credit Union.
 - c. Any item that contains evidence of alteration to the information on the check.

- d. Any check previously converted to a “substitute check,” as defined in Regulation CC.
- e. Any item issued to you by a financial institution in a foreign country.
- f. Any item that is dated more than six (6) months prior to the date of deposit.
- g. Any item that is “post dated” after the date of deposit.
- h. Any item stamped “non-negotiable” (whether stamped in print or as a watermark).
- i. Any item that has been re-deposited or returned such as “non-sufficient funds” or “refer to maker” or returned for any other reason.
- j. Any item that is incomplete.
- k. Cash.
- l. Savings Bonds.
- m. Government-issued warrants.
- n. Any item (including tax refund checks and other government checks) made payable to more than one party, where not all parties are owners or signers on the account.
- o. Any item with a qualified endorsement (example: without recourse, John Doe).
- p. Any item with a conditional endorsement (example: pay to the order of John Doe, when car is fixed)

Deposits of this nature may result in the immediate termination of the Service.

- ix. 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 at the time of presentment to you by the drawer. Prior to electronically transmitting a digital image of the original check, you will restrictively endorse any item transmitted through the Services as “For deposit only, SkyOne Mobile Deposit, account and routing number” or as otherwise instructed by us. You agree to follow any and all other procedures and instructions for use of the Services as we may establish from time to time. The digital image of the check transmitted to us using the Services 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.
- x. 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 by the Credit Union. You understand that, in the event you receive a notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive or are unable to read. Following receipt of the image, we will process the image by preparing a substitute check. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your account and, in the event we reject an item for remote deposit, you understand and agree that you must deposit the original item. You understand and agree that even if we do not initially reject an item you deposit through the Services, 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 shall not limit your liability to us. You understand that any amount credited to your account, for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check.

- xi. Rejection of Deposit. We are not liable for any service or late charges levied 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.
- xii. Items Returned Unpaid. A written notice will be sent to you 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 Return Item fee as stated in our Business Schedule of Service Charges.
- xiii. Availability of Funds. 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 Services are considered received by the Credit Union when we notify you of receipt of the image by an email transmitted to the email address you have provided to us. You understand and agree that, for purposes of deposits made using the Services, the place of deposit is Hawthorne, California. 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.

- xiv. 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.
- xv. 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 Services 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.
- xvi. Hardware and Software Requirements. In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by the Credit Union from time to time. You are solely responsible for electronically transmitting deposit items, accessing the Services from the Credit Union and for maintaining your scanning equipment. You will be responsible for the payment of all telecommunications expenses associated with your use of the Services. The Credit Union will not be responsible for providing or servicing any equipment for you. Further, we are not responsible for any third-party software you may need to use the Services. Any such third-party software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third-party software provider at time of download and installation. In order to use the Services, you must have the following hardware and software with the following specifications: *Windows 10 (desktop/tablet/Mobile), Apple iOS, apple watch OS (version OD 2.0), Google Android (version 4.2), Google Android wear (version 25-wear 2.0). Internet browser must be Microsoft Internet Explorer 11 (Only on Windows 7 PSI and Window 8.1 update), Microsoft Edge (version 25 and later), Mozilla Firefox (version 38 and later), Safari (6.x and greater-on Mac OS), Chrome (version 30 and later), Opera (version 15 and later)*
- xvii. Ownership & License. You agree that we retain all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Services. Without limiting

the restriction of the foregoing, you may not use the Services (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 Services.

- xviii. Accountholder's Warranties. You make the following warranties and representations with respect to your use of the Services and each image of an original check you transmit to us using the Services:
- a. 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.
 - b. The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
 - c. 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.
 - d. Other than the digital image of an original check that you remotely deposit through the Services, there are no other duplicate images of the original check.
 - e. 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.
 - f. The information you provided in your Application is true and correct and, in the event any such information changes, you will immediately notify us of the change.
 - g. You have not knowingly failed to communicate any material information to us.
 - h. You will retain possession of each original check deposited using the Services for the required sixty (60) day retention period and neither you nor any other party will submit the original check for payment.
 - i. You will not use the Services and/or your accounts for any illegal activity or transactions.
 - j. 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.
 - k. Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories.
- xix. Disclaimer of Warranties. YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICES IS AT YOUR RISK. YOU ALSO UNDERSTAND AND AGREE THAT THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. YOU UNDERSTAND AND AGREE THAT WE DO NOT MAKE ANY

WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE ALSO MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED FROM USING THE SERVICES WILL BE ACCURATE OR RELIABLE, OR THAT ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED. WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY YOUR INTERNET PROVIDER, ANY RELATED SOFTWARE OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE OR MAINTENANCE OF YOUR PERSONAL MOBILE DEVICE, HARDWARE, SOFTWARE OR OTHER EQUIPMENT.

- xx. Limitation of Liability. YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM OR ATTRIBUTABLE TO THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR ATTRIBUTABLE TO THE USE OF, INABILITY TO USE, THE TERMINATION OF THE USE OF THE SERVICES, OR YOUR BREACH OF THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF.
- xxi. Accountholder's Indemnification Obligation. You agree to indemnify, defend and hold harmless the Credit Union and its directors, officers, employees, members and agents (the "Indemnified Parties") from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees and disbursements), claims, damages, liabilities and causes of action of third parties resulting or arising from: (i) your failure to abide by or perform any obligation imposed upon you under this Agreement; (ii) the willful misconduct, fraud, criminal activity, intentional tort or negligence of you or any of your representatives involving use of the Services; (iii) the actions, omissions or commissions of you, your employees, consultants and/or agents relating to the Services; and (iv) any transmission or instruction, whether or not authorized, acted upon by the Credit Union in good faith. You shall be provided with prompt notice of any claims and given full authority and assistance (at your expense) for the defense of any such claims, provided that the Credit Union may participate in such defense and

settlement with counsel of the Credit Union's own choosing at the Credit Union's own expense. However, you shall have no authority to settle any claim against any Indemnified Party without the prior written consent of such Indemnified Party (which consent shall not be unreasonably withheld).

- xxii. Termination of the Services. You may, by written request, terminate the Services provided for in this Agreement. We may terminate your use of the Services at any time upon written notice. In the event of termination of the Services, you will remain liable for all transactions performed on your account. Upon termination, (i) you will immediately cease using the Services and (ii) you shall promptly remit all unpaid monies due under this Agreement, if any. The Credit Union may immediately suspend or terminate your access to the Services in the event that the Credit Union reasonably determines such suspension or termination is necessary in order to protect the Services or the Credit Union from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Agreement or are otherwise using the Services in a manner inconsistent with the terms of this Agreement or with applicable law.

r. Cash Management Services

- a. Wire Transfer Service. If you are approved for this Service, you can provide us with electronic instructions to transfer funds to third parties. You may receive a message that confirms our receipt of your wire instructions.
- b. Automated Clearing House ("ACH") Service. If you are approved for our ACH Service, you agree to comply with the Operating Rules of the National Automated Clearing House Association ("NACHA") (collectively, the "Rules"), as amended from time to time. You may obtain a copy of the Rules by contacting Western Payments Alliance 685 Market Street, Suite 540 San Francisco, CA 94105(415) 433-1230 Fax: (415) 433-1370 Hours: 8:00 a.m. - 5:00 p.m. (Pacific Time) E-mail: info@wespay.org Website: www.wespay.org .

You may initiate ACH debit entries only with the prior written authorization of the persons whose accounts are affected by such entries. You agree to maintain a copy of each authorization for a period of two years following its termination, and to provide us with a copy within five business days upon request. You will not submit ACH debit entries to collect funds for checks or other paper items which have been dishonored and returned for any reason, even if such represented check entries are permitted under the Rules.

You agree to maintain sufficient collected and available funds in your account for a period of two business days prior to the settlement date to cover the amount of your transfers, as well as returned or reversed debit entries, adjustments, and other amounts owed to us under this Service. We may refuse an entry if there are not sufficient collected and available funds in your account on the date, we initiate the transaction (up to two business days before an ACH settlement date) or on the

settlement date. We may notify you of such refusal electronically, in writing, by telephone, or otherwise no later than two business days after the date the transaction was to be effected. We are not required to pay you dividends on a rejected entry for the period from refusal of the entry to your receipt of the notice of refusal. If an entry is returned by the ACH, we may submit the entry back to you, adjust your account, and await further instructions. We may remake such entry, however, if the return is due to our error and we have sufficient data to remake the entry. You agree to retain and provide us with the necessary information to make such entries until midnight of the third business day following the settlement date.

We may from time to time request information from you in order to evaluate a continuation of the Service to be provided by us hereunder and/or adjustment of any limits set by this Agreement. You agree to provide the requested financial information immediately upon request by us, in the form required by us. You authorize us to investigate or reinvestigate at any time any information provided by you in connection with this Agreement or the Service. Upon request by us, you hereby authorize us to enter your business premises for the purpose of ensuring that you are in compliance with this Agreement and you specifically authorize us to perform an audit of your operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. You hereby acknowledge and agree that we shall have the right to mandate specific internal controls at your location(s) and you shall comply with any such mandate. In addition, you hereby agree to allow us to review available reports of independent audits performed at your location related to information technology, the Service and any associated operational processes. You agree that if requested by us, you will complete a self-assessment of your operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by us in an audit of you. If you refuse to provide the requested financial information, or if we conclude, in our sole discretion, that your risk is unacceptable, if you violate this Agreement or the Rules, or if you refuse to give us access to your premises, you may terminate the Service and this Agreement according to the provisions hereof.

Credit for an ACH transfer is provisional until the receiving financial institution obtains final settlement. If final settlement doesn't occur, the originator of the transfer is not deemed to have made payment to the beneficiary, and the beneficiary's bank is entitled to a refund of the provisional credit.

- c. Positive Pay Service. Account Reconciliation Service members that participate in our Positive Pay Service can instruct us not to pay certain items presented against accounts. If our Account Reconciliation reports of checks presented against your account matches the information (check number and amount) you provide to us regarding the checks you have issued, you agree that we may treat the matching items as validly issued and properly payable, and that we may process such items for payment. If the information does not match, you will receive a notification of the exception and will need to return the non- matching items (unless you and we agree on another procedure).

- Exceptions. We assume no duty to identify and/or return duplicate checks, checks with duplicate serial numbers, mis encoded items, or checks lacking an encoded serial number. The Service does not apply to items that have been finally paid before the effective date of any listing or items that are not processed as part of the Account Reconciliation Service.
 - Reliance on MICR Encoding. We will not be obligated to verify signatures on any checks that match the information you provide. You understand and agree that we may compare your information on approved checks with information that is encoded on the items presented to us for payment. We will not be required to physically examine matching checks to confirm that they are properly signed, completed and encoded. You agree that we may rely on such a process and that the process will be deemed an acceptable standard of care for this Service and your account. You understand that the Service may not identify counterfeit or duplicate checks. As such, you agree to review promptly all statements, returned checks, reports and other check and transaction information we make available to you.
 - Stale-Dated Checks. We may pay stale-dated checks unless you place a stop payment order on such items or remove them from your list of checks approved for payment.
- d. Information Processing and Reporting. We offer a number of Services that require us to receive process and report information involving your accounts and transactions. We will not be responsible for accuracy, timeliness or completeness of any information that you or others provide to us. We will not have a duty to interpret the content of any data transmitted to us, except to the limited extent set forth in this Agreement. Unless otherwise agreed in writing, we will not be required (by means of any security procedure or otherwise) to detect errors in the transmission or content of any information we receive from you or third parties.
- Information You Provide to Us. You assume the sole responsibility for providing us with complete and accurate information in the form and format that we require (e.g., in connection with wire and ACH transfers). We are not responsible for confirming such information, or for monitoring or refusing to process duplicate instructions by you or your agents. For example, if you give us a wire transfer instruction that is incorrect in any way, you agree that we may charge your account for the payment whether or not the error could have been detected by us. We are not obligated to detect errors in your transfer or payment instructions.
 - Your Instructions. You must accurately describe transaction beneficiaries, intermediary financial institutions, and the beneficiary's financial institution in transfer and payment instructions. If you describe any beneficiary or institution inconsistently by name and number, other institutions and we may process the transaction solely on the basis of the number, even if the number identifies a person or entity different from the named beneficiary or institution.
 - Your Review. You acknowledge that it is not possible for the Services to be totally free from operator, programming or equipment error, and that errors in processing and compiling data may occasionally occur (e.g., due to the failure

of others to provide accurate information, telecommunication failures, or a breakdown in an electronic data interchange). As such, you agree to review and verify all results and to maintain adequate controls for insuring both the accuracy of data transmissions and the detection of errors. Unless otherwise required by law, our sole responsibility for any reporting errors caused by us will be to reprocess the information for the period in question and to provide corrected reports at our own expense. You agree to maintain adequate backup files of the data you submit for a reasonable period of time in order to facilitate any needed reconstruction of your transactions (e.g., in the event of a telecommunication failure). If we are unable to provide a Service for any reason, we will promptly inform you of the problem and will take reasonable steps to resume processing.

- e. Reliance on Third Parties. Our ability to provide certain Services (e.g., in connection with electronic data interchange) is dependent upon our ability to obtain or provide access to third party networks. In the event any third party network is unavailable or we determine, in our discretion, that we cannot continue providing any third party network access, we may discontinue the related Service or may provide the Service through an alternate third party network. In such situations, we will have no liability for the unavailability of access. We will not be responsible for any services you receive from third party vendors.
- f. Amending/Canceling a Transaction. Unless this Agreement or your User Guide provides otherwise, you do not have a right to cancel or amend a payment or transfer instruction (e.g., an ACH payment) once we have received it. If we attempt to reverse a transaction at your request, we assume no liability for any dividend or losses that result if the reversal is not effected. Requests to cancel a transaction must state the exact amount (dollars and cents) of the transaction you wish to stop. You agree to indemnify, defend, hold harmless and reimburse us for all expenses, losses, claims, actions, proceedings and damages we incur in effecting or attempting to effect any reversal. You are solely responsible for providing notice to the receiver/beneficiary that a reversal is being transmitted and the reason for the reversal no later than the settlement date of the reversing entry.
- g. Our Rejection of Transactions. We may refuse any transfer or payment instruction without cause or prior notice.
- h. Notice of Returned Payments or Transfers. We may notify you electronically, in writing, by telephone, or otherwise if any funds transfer is rejected or returned (e.g., by the ACH) for any reason. We will not be obligated to credit your account with any dividend, unless the return is caused by our failure to properly execute your instruction.
- i. Unauthorized Transactions. We may process any payment or transfer instruction (including an amendment or cancellation instruction) that we believe is transmitted or authorized by you if we act in compliance with the security procedures (e.g., we obtain the Security Code) you and we have agreed upon for the Service. The instructions will be deemed effective as if made by you, and you will be obligated to pay us in the amount of such transactions, even though they are not transmitted or authorized by you.

We may elect to verify the authenticity or content of any instruction, as an alternative security procedure, by placing a call to any authorized signer on your account or any other person designated by you for that purpose. If we are unable to verify an instruction to our satisfaction, we may reject the instruction.

- j. Transaction Limits and Safeguards. You agree not to exceed the Service transaction limits we establish from time to time for your account (e.g., in connection with ACH transactions). You agree that you will not allow anyone to initiate transfer or payment instructions on your behalf without proper supervision and adequate safeguards, and that you will review pending payment and transfer instructions prior to their submission to us to ensure that they are complete, accurate and properly authorized.
- k. Electronic Mail/Internet. If you send us electronic mail ("e-mail"), we may not receive or review it immediately. We will have a reasonable time to act upon any e-mail request or notice and reserve the right to reject any transaction or request received by e-mail. You acknowledge that, even though e-mail may be encrypted, we cannot ensure that it will not be intercepted or affected by the actions or omissions of others, such as third party networks or persons with access to the Internet. As such, we recommend that you not send account data or other sensitive information to us by e-mail.

Your use of the Internet will be entirely at your own risk. We make no representation, warranty or endorsement with respect to: (a) information placed on the Internet by third parties; (b) the security or continued availability of the Internet or of any Internet web site, including without limitation our web site; or (c) the services, products or information made available over the Internet by others whose sites may be accessed, directly or indirectly, as a result of our Services. Our service providers and we assume no responsibility for viruses created by third parties, or for any third party's unauthorized access to, or use of, your computer system.

You agree that: (a) Internet services are provided to you on an "as is" basis, without warranties of any kind; (b) we, our affiliates, Internet service providers, and licensors will not be liable for any errors, defects in, or the untimeliness or lack of authenticity of, any information provided over the Internet; (c) you will comply with all laws applicable to your Internet activities; (d) you will not transmit any information which is defamatory, abusive, or which may give rise to civil liability; (e) we may monitor your e-mail and Internet communications with our employees; and (f) our Internet Service will be subject to the additional qualifications and operating rules, if any, set forth on our web site.

- l. Cutoff Hours. A number of our Services are subject to processing cutoff hours (Pacific Time), for example: 1:00 p.m. for wire transfer orders; 12:00 p.m. for ACH transaction entries; and 12:00 p.m. for positive pay decisions. The agreements governing these services may supersede the cutoff hours aforementioned and instructions received after the cutoff hour or on a non-business day may be deemed received as of the next business day. Services may occasionally be unavailable due to needed maintenance or system/network interruptions.

4. STATEMENTS, NOTICES AND COMMUNICATION

- a. Notices. Unless otherwise required by applicable law, or unless otherwise agreed, notices required by this Agreement and Disclosure must be in writing. Notices to you may be mailed or sent to you electronically at the statement, email, or mailing address shown for you in our deposit or Service records. Notices to us must be mailed or delivered to us at SkyOne Federal Credit Union, 14600 Aviation Boulevard, Hawthorne, CA 90250.
- b. Statements. Information on transfers to or from your accounts will be reflected on your periodic statements and will be available to you on-line. We are not required to provide you with any other notice of the receipt, transmittal or debiting of wire transfers, ACH entries or bill payments.
- c. Notification of Unauthorized Access/Transfers. You agree to notify us immediately if you discover: (a) any error or discrepancy between your records and the information we provide to you about your accounts or transactions (e.g., in a statement, confirmation, or electronic report); (b) unauthorized transactions involving any account; (c) a breach in the confidentiality of the Security Codes or User Guide; or (d) other problems related to the Services.

You also agree to notify us immediately if you believe your Password has been lost, stolen or if you believe someone has scheduled transfers or may schedule transfers or otherwise use your account without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus maximum overdraft line of credit if you have one with us). You can contact the Credit Union during regular business hours by calling 1.800.421.7111 by sending an email to memberservice@skyone.org or by writing a letter and sending it to 14600 Aviation Boulevard, Hawthorne, CA 90250-SkyOne Federal Credit Union.

- d. Liability for Unauthorized Transactions. You Are Responsible for Unauthorized Transactions if we act in accordance with our security procedures with respect to such unauthorized transaction. If you report to us that a transaction on your account was unauthorized, you agree to: (1) submit your claim of unauthorized transaction in writing to us by completing a declaration under penalty of perjury describing your claim of unauthorized transaction (in an affidavit form approved by us, if so requested); (2) file a police report; (3) complete and return to us any documents requested of you; and (4) in all respects, cooperate fully with us in our investigation of your claim of unauthorized transaction. During our investigation, we may, at our sole discretion, provide a credit to your account up to the amount of the unauthorized transaction while we investigate your claim of unauthorized transaction. We reserve the right to reverse any credit made to your account if you fail to cooperate fully with our investigation or if we determine that the transaction that gave rise to your claim of unauthorized transaction was conducted in compliance with the security procedures with respect to such transaction.

- e. E-statements, eNotices, And Alerts. E-statements, eNotices and Alerts are services provided through online and mobile banking. With E-statements you have the ability to view, download and print your statements. Alerts allow you to create alert notifications for balance updates, low balance, high balance, large withdrawal, large deposit, check cleared, loan payment due, loan payment overdue, maturity date and personal alert. You may also receive alerts for loan rate changes.
- f. Chat and Email. Secure and Unsecure chat allows communication between members and SkyOne Federal Credit Union. Secure email and chat allows members to ask account specific questions without being required to call, since we're able to confirm your identity.
- g. Notwithstanding anything to the contrary contained in this agreement, the chat, email, telephone, mail and in person communication referenced under this Agreement and Disclosure must be completed by the account owner(s), Administrators and Business Users only who have access to the Services provided via Online Banking.

5. AMENDMENTS, ASSIGNMENT AND TERMINATION

- a. Changes and Modifications. The Credit Union may amend, add, delete, or modify the terms and conditions applicable to the Services from time to time. We may send any notice to you via e-mail and you will be deemed to have received it three (3) days after it is sent. The revised terms and conditions shall be effective at the earliest date allowed by applicable law. We may amend our security procedures without prior notice if immediate changes are required for security reasons or the changes do not have a material effect on your use of the Services.

Your use of the Services after receipt of notification of any change by the Credit Union constitutes your acceptance of the change.

- b. Assignment. We may assign or delegate this Agreement and Disclosure to an affiliate of the Credit Union or any successor in interest in the event of a merger, reorganization, change of control, acquisition or sale of all or substantially all assets of the business to which this Agreement and Disclosure is related without the other party's prior written consent. You may not assign this Agreement and Disclosure.
- c. Termination. We reserve the right to terminate this Agreement and Disclosure, with or without cause, and your use of the Services in whole or in part at any time without prior notice. If the Credit Union becomes aware that you are engaging in any activity directly related to the use of the Service that is illegal or fraudulent under local, state, or federal law or otherwise violates the Business Accounts Agreement and Disclosure or this Agreement and Disclosure, the Credit Union reserves the right to suspend or cancel access and utilization to the Service(s) immediately. The Credit Union may terminate the Service(s) upon becoming aware that you are violating any law or otherwise engaging in activity that is not permitted under this Agreement and Disclosure and/or that may be detrimental to us as determined by us in our sole discretion. We may suspend or terminate your Services or this Agreement immediately and without prior notice if: (a) you breach any agreement with us; (b) the confidentiality of your Security Code is compromised; (c) we have reason to believe that an unauthorized transaction has taken or may take place involving any of your accounts or any of the Services; (d) you become insolvent or the

subject of a bankruptcy, receivership, or dissolution proceeding; or (e) we are uncertain as to any person's authority to give us instructions regarding your accounts or the Services.

You may terminate this Agreement and Disclosure as to some or all of the Services by giving 30 days prior notice to us. Cancellation of Service(s) can be handled by calling the Credit Union at 1800.421.7111 by writing a letter and sending it to SkyOne Federal Credit Union, Attn Operations Support, by emailing the Credit Union at memberservice@skyone.org or by visiting your local SkyOne branch office.

Termination will not affect your liability or obligations under this Agreement and Disclosure for transactions that have been or will be processed on your behalf. You will remain responsible for all outstanding fees and charges incurred prior to the date of termination. Termination will apply only to Service(s) and does not terminate your other relationships with the Credit Union.

6. LIMITATION OF LIABILITY

- a. Disclaimers of Liability and Warranties. The Credit Union shall bear no liability for: (i) compatibility of the Service with all wireless and/or WAP-enabled devices, (ii) server latency or response times for the Service, (iii) additional costs assessed by wireless carriers for text and Internet access, or (iv) any decisions made or transactions initiated by you based on your use of the Service and/or the data accessed by the Service.

YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICE IS AT YOUR OWN RISK. YOU ALSO UNDERSTAND AND AGREE THAT THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. YOU UNDERSTAND AND AGREE THAT WE DO NOT MAKE ANY WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICE, EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE ALSO MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED FROM USING THE SERVICE WILL BE ACCURATE OR RELIABLE, OR THAT ANY ERRORS IN THE SERVICE OR TECHNOLOGY WILL BE CORRECTED. WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY YOUR INTERNET PROVIDER, ANY RELATED SOFTWARE OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE OR MAINTENANCE OF YOUR MOBILE DEVICE, COMPUTER HARDWARE, SOFTWARE OR OTHER EQUIPMENT.

THE SOFTWARE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. NO

WARRANTY IS PROVIDED THAT THE SOFTWARE WILL BE FREE FROM DEFECTS OR VIRUSES OR THAT OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED. YOUR USE OF THE SOFTWARE AND ANY MATERIAL OR SERVICES OBTAINED OR ACCESSED VIA THE SOFTWARE IS AT YOUR OWN DISCRETION AND RISK, AND YOU ARE SOLELY RESPONSIBLE FOR ANY DAMAGE RESULTING FROM THEIR USE.

SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES, SO SOME OF THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

- b. Our Liability for Failure to Make or Complete Transactions. The Credit Union will use commercially reasonable efforts to post your transaction/instruction properly to the account indicated when you use the Service properly and comply with this Agreement and Disclosure. However, the Credit Union shall incur no liability if we are unable to complete a transaction/instruction initiated by you through the Service because of any one or more of the following circumstances: 1) member error, 2) member failure to comply with this Agreement and Disclosure, 3) if the Service equipment or software was not working properly and you knew about the malfunction when you started the transaction, or 4) you or any third party (e.g., the U.S. Treasury or an automated clearing house) have not provided complete or correct information, 5) circumstances beyond our control (e.g., fire, flood or interference from outside sources) prevent processing of a transaction despite reasonable precautions on our part, 6) if a legal order directs us to prohibit withdrawals from the account, 7) if your account is closed or if it has been frozen, 8) if you, any Authorized Representative, or anyone you allow, commits any fraud or violates any law or regulation or if any transaction is prohibited by law, regulation, court order, or would be considered illegal activity, 9) if our failure to complete the transaction is done to protect the security of your account and/or the Services, or 10) if delays in processing and/or payment are caused by third-party software and/or services.

There may be other exceptions and we may establish other exceptions in addition to those not specifically mentioned above.

Provided that no exceptions are applicable, if we cause an incorrect amount of funds to be removed from your account, or cause funds from your account to be directed to a person or entity which does not comply with your transfer or payment 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.

UNLESS OTHERWISE REQUIRED BY LAW, THE CREDIT UNION SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER LOSS OR DAMAGE CAUSED BY YOUR USE OF OR INABILITY TO USE THE SERVICE. NOR SHALL THE CREDIT UNION BE RESPONSIBLE FOR ANY LATE FEES, DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL DAMAGES, EXEMPLARY, OR CONSEQUENTIAL DAMAGES ARISING FROM A) THE USE OF, INABILITY TO USE, OR MAINTENANCE OF THE SERVICE, B) THE INTERNET PROVIDER OR ANY RELATED SOFTWARE, OR YOUR OR OUR USE OF ANY OF THEM, C) THE INSTALLATION, USE, OR MAINTENANCE OF YOUR MOBILE DEVICE, PERSONAL COMPUTER, ANY RELATED SOFTWARE, OR OTHER EQUIPMENT, OR D) YOUR BREACH OF THIS AGREEMENT AND DISCLOSURE, REGARDLESS OF

THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL THE LICENSOR OR ITS AFFILIATES OR LICENSORS BE LIABLE FOR ANY DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE SOFTWARE, INCLUDING BUT NOT LIMITED TO ANY GENERAL, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, AND REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH ANY CLAIM IS BASED. IN ANY CASE, THE LICENSOR'S LIABILITY ARISING OUT OF THE USE OR INABILITY TO USE THE SOFTWARE SHALL NOT EXCEED IN THE AGGREGATE THE SUM OF THE FEES PAID BY YOU FOR THIS LICENSE. SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY FOR CERTAIN TYPES OF DAMAGES, SO SOME OF THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

- c. Limitations. SkyOne Federal Credit Union cannot always foresee or anticipate technical or other difficulties with the Service. These difficulties may result in loss of data, personalization settings or other Service interruptions. Notwithstanding the terms contained herein, with respect to the Service, you acknowledge that the Credit Union does not assume responsibility for the timeliness, deletion, mis-delivery or failure to store any user data, communications or personalization settings.
- d. Access to Account Data. Some of the Services provide you with balance and other account information. Since certain information and transactions are not processed by us until after the close of our business day, some transactions may not be reflected in the system until the next banking day. Posted items may be reversed due to insufficient funds, stop payment orders, legal process, and other reasons. Certain balances also may not be subject to immediate withdrawal. We assume no responsibility for any loss arising from incomplete information or for any temporary interruption in our information system. If you are unable to access our system for any reason, you may contact 1800.421.7111 for loan and deposit information.
- e. You acknowledge that our Service fees have been established in contemplation of: (a) these limitations on our liability; (b) your agreement to review statements, confirmations, and notices promptly and to notify us immediately of any discrepancies or problems; and (c) your agreement to assist us in any loss recovery effort.

7. INDEMNIFICATION

Indemnity. You agree to indemnify, defend, and hold the Credit Union, including its directors, officers, employees, third party service providers, and agents harmless (by Counsel of Credit Union's choosing) from and against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising out of your use of the Service, any negligent or intentional action or inaction, and/or any breach of this Agreement and Disclosure. The parties agree that this paragraph shall survive the termination of this Agreement and Disclosure.

8. IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS

In the event that you believe there has been an error with respect to any transaction or you did not authorize a transaction, you will immediately contact the Credit Union regarding such error or breach as set forth below.

- By calling the Credit Union at: 1800.421.7111
- By emailing the Credit Union at: memberservice@skyone.org
- Or By writing a letter and sending it to 14600 Aviation Boulevard, Hawthorne, CA 90250

Contact us as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and Account number.
- Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount and date 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 tell you the results of our investigation 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 45** days to investigate your complaint or question. If we decide to do this, we will provisionally 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 or question in writing and we do not receive it within ten (10) business days, we may not credit your Account. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

* If you assert an error within 30 days after you make the first deposit to your Account, we will have 20 business days instead of ten (10) business days.

** If you give notice of an error within 30 days after you make the first deposit to your Account or notice of an error involving a transaction initiated outside the United States, its possessions and territories, we will have 90 days instead of 45 days to investigate. For transactions subject to Visa Operating Rules and Regulations, you will receive a provisional credit for Visa Check Card losses for unauthorized use within five (5) business days after you have notified us of the loss. This does not apply to ATM transactions using a PIN(s).

Note that the above-referenced notification obligations do not limit your liability for any unauthorized transactions.

9. AGREEMENTS AND ACKNOWLEDGMENTS

- a. User Conduct. You agree not to use the Service or the content or information delivered through the Service any way that would (a) infringe any third party copyright, patent, trademark, trade secret or other proprietary rights or rights of publicity or privacy; (b) be fraudulent or involve unlawful internet gambling, involve the sale of counterfeit or stolen items or use the Service to impersonate another person or entity; (c) violate any law, statute, ordinance or regulation; (d) be false, misleading or inaccurate; (e) create liability for the Credit Union or its affiliates or cause the Credit Union to lose (in whole or in part) the services of any third party providers; (f) be defamatory, trade libelous, threatening or harassing; (g) may potentially be perceived as obscene or pornographic or contain child pornography or racially, ethnically or be otherwise objectionable; (h) interfere with or disrupt computer networks or infect the computer networks with viruses; (i) interfere with or disrupt the use of the Service by any other party; (j) use the Service in any manner to gain unauthorized entry or access into the Credit Union's computer systems; or (k) resell or make any commercial use of the Services.
- b. Security. You understand the importance of your role in preventing misuse of your accounts through the Service and you agree to promptly examine your statement for each of your accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, your Username and Password, and your personal identification information. Notwithstanding our efforts to ensure that the Service is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. The Credit Union cannot and does not warrant that all data transfers utilizing the Service or e-mail transmitted cannot be monitored or read by others. You agree that the Credit Union does not have control as to the persons who have access to your Access Device(s), Username(s) and Password(s). The Credit Union will not be liable for any unauthorized access to Access Device(s) using your Username(s) and/or Password(s). You agree that it is your responsibility to INITIATE AND MAINTAIN adequate procedures to prevent any unauthorized access to your Access Device(s) or unauthorized use of your Password(s). You are solely responsible for making sure your Access Devices are protected from and free of viruses, worms, Trojan horses, or other harmful destructive elements which could result in damage to your device, equipment, programs, files, computers, phones, tablets, or could result in interception of information by a third party. These responsibilities include, without limitation, your utilizing up to date web-browsers, equipment, devices and best commercially available encryption, antivirus, anti-spyware, and Internet security software.
- c. Compliance with Laws. You agree to comply with all applicable laws and regulations when using the Services. You agree not to initiate any wire transfer, ACH entry or payment that would violate the economic sanctions administered by the U.S. Treasury's Office of Foreign Assets Control.
- d. Your Records. This Agreement and the Services are not intended to relieve you of any obligation imposed by law or contract regarding the maintenance of records or from

employing adequate audit, accounting and review practices as are customarily followed by similar businesses. You agree to retain and provide to us, upon request, all information necessary to remake or reconstruct any deposit, transmission, file or entry until ten business days following receipt by us of the deposit, file, entry, transmission, or other order affecting an account.

- e. Monitoring of Communications. You agree on behalf of yourself, your employees and agents that we may monitor and record your telephone and electronic communications in connection with the Services at any time, without further notice to you or any party to the communication.
- f. Agents. You will not allow others to provide instructions to us (e.g., wires transfer orders or ACH entries) on your behalf without our prior written consent. You will be solely responsible for the acts and omissions of such agents. You agree to indemnify, defend and hold us harmless from any actions, claims, proceedings, damages, losses and costs which you or we incur as a result of their actions or omissions.
- g. No Third-Party Use. Unless you have our prior written consent, you may not use the Services to process transactions for third parties or permit others to initiate Service transactions on your behalf.

10. MISCELLANEOUS TERMS

- a. Funds Availability Policy. Refer to the "Funds Availability Policy" section of the Credit Union's Business Account Agreement and Disclosures, which applies to Services provided under this Agreement and Disclosure. You can go to the Credit Union website; www.Skyone.org. You can contact the Credit Union during regular business hours by emailing memberservices@skyone.org or by calling 1.800.421.7111.
- b. Release. You hereby release the Credit Union, any of its associated or affiliated companies, their directors, officers, agents, employees, customers, and members of the Credit Union, from all claims of any kind on account of your use of the Service.
- c. No Waiver. The Credit Union shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by a Credit Union Officer. No delay or omission on the part of the Credit Union in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.
- d. Governing Law. This Agreement and Disclosure is entered into and will be performed in California and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of action), shall be governed by and construed in accordance with the internal laws of the State of California and applicable federal law, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary.

You also agree to submit to the personal jurisdiction of the courts of the State of California.

- e. Attorneys' Fees. The prevailing party in any dispute between the parties arising out of the interpretation, application, or enforcement of any provision of this Agreement and Disclosure shall be entitled to recover all of its reasonable attorneys' fees and costs whether suit be filed or not, including, without limitation, costs and attorneys' fees related to or arising out of any arbitration proceeding, trial, or appellate proceedings.
- f. Entire Agreement. With exception to the ACH Origination Agreement, Remote Deposit Capture Agreement, and Wire Transfer Agreement, this Agreement and Disclosure contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements, or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement and Disclosure supplements the terms of your deposit agreement with us along with agreements that may be executed for each service described herein, including but not limited to an ACH Origination Agreement, Remote Deposit Capture Agreement, Wire Agreement, etc. Together, they constitute the entire agreement between you and us with respect to the Services.
- g. Validity. If any provision of this Agreement is found to be void or invalid, the remainder of this Agreement will remain in full force and effect.
- h. Survival. Sections of this Agreement and Disclosure entitled "Compliance with Law," "Indemnification," "Limitation of Liability," and "Disclaimers of Liability and Warranties" shall survive the termination of this Agreement and Disclosure.
- i. Financial Review. You agree to provide us with a financial statement or information on your financial condition upon our request.
- j. No Third-Party Beneficiaries. This Agreement is made for the exclusive benefit of you and us. No third party has any rights under this Agreement.
- k. Overdrafts. When you transmit a transfer or payment request to us, you authorize us to charge your account for the amount indicated. If your account does not have sufficient available funds, we may reject the transaction. Our allowance of any overdraft will not obligate us to honor future overdrafts at a later time, and we may refuse to do so without cause or prior notice. We may charge a fee for each payment or transfer request presented against insufficient available funds.
- l. Security Interest. You grant us a security interest in your accounts to secure the repayment of any overdraft or other obligation that you incur under this Agreement and Disclosure.