

## AEROSPACE FEDERAL CREDIT UNION

### REMOTE DEPOSIT CAPTURE (*Scan Deposit and Mobile Deposit*) SERVICES DISCLOSURE AND AGREEMENT

Effective: July 1, 2011

In this Remote Deposit Capture (*Scan Deposit and Mobile Deposit*) Services Disclosure and Agreement (“Disclosure and Agreement”), the words “I,” “me,” “my,” “us” and “our” mean the person that applied for and/or uses any of the Remote Deposit Capture Services (the “Services”) described in this Disclosure and Agreement to remotely deposit checks. The words “you,” “your,” and “yours” mean AEROSPACE FEDERAL CREDIT UNION. My Application, the Remote Deposit Capture Services Approval Confirmation (“Confirmation”) received by me prior to this Disclosure and Agreement, and my Aerospace Federal Credit Union Account Agreement and Disclosures are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement and my Application, the Confirmation, or the Account Agreement, this Disclosure and Agreement will control.

**Use of the Services:** Following receipt of the Confirmation, I am authorized by you to remotely deposit paper checks I receive into my account with you (the “Account”) by electronically transmitting a digital image of my paper checks to you for deposit. I understand that I must be an Aerospace Federal Credit Union member for at least sixty (60) days and be a member in good standing to be eligible to enroll in the Services. My use of the Services constitutes my acceptance of the terms and conditions of this Disclosure and Agreement. I agree to comply with the hardware, software and mobile device application requirements set forth in this agreement and detailed for me on your website, which are incorporated by this reference. Upon receipt of the digital image, you will review the image for acceptability. I understand and agree that receipt of an image does not occur until after you notify me of receipt of the image by an email transmitted to the email address I have provided you. I understand that, in the event I receive a notification from you confirming receipt of an image, such notification does not mean that the image contains no errors or that you are responsible for any information I transmit to you. You are not responsible for any image that you do not receive. Following receipt of the image, you will process the image by preparing a “substitute check.” Notwithstanding anything to the contrary, you reserve the right, within your sole and absolute discretion, to accept or reject any item for remote deposit into my Account and, in the event you reject an item for remote deposit, I understand and agree that I must deposit the original item. I understand and agree that even if you do not initially reject an item I deposit through the Services, you may return the substitute check you created because, among other reasons, the paying bank deems the electronic image illegible. Your failure to reject such an item shall not limit my liability to you. I understand that any amount credited to my Account for items deposited using the Services is a provisional credit and I agree to indemnify you against any loss you suffer because of your acceptance of the remotely deposited check.

**Compliance with Law:** I agree to comply with all laws, statutes, regulations and ordinances pertaining to my use of the Services, as well as all laws relating to the banking transactions contemplated hereunder. I also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which you are a party that govern the Services you provide. I promise to indemnify and hold you harmless from any damages, liabilities, costs, expenses (including attorneys’ fees) or other harm arising out of any violation thereof. This indemnity will survive termination of my Account and this Agreement.

**Check Requirements:** Any image of a check that I transmit to you must accurately and legibly provide all the information on the front and back of the check at the time presented to me by the drawer. Prior to scanning the original check, I will indorse the back of the original check. My endorsement will include the name “Aerospace Federal Credit Union.” The scanned image of the check transmitted to you must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR

information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality established by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve, including the requirements under federal Regulation “CC,” and any other regulatory agency, clearing house or association.

**Rejection of Deposit:** You are not liable for any service or late charges levied against me due to your rejection of any item. In all cases, I am responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

**Items Returned Unpaid:** A written notice will be sent to me of transactions you are unable to process because of returned items. With respect to any item that I transmit to you for remote deposit that you credit to my Account, in the event such item is dishonored, I authorize you to debit the amount of such item from my Account.

**Email Address:** I agree to notify you immediately if I change my email address, as this is the email address where you will send me notification of receipt of remote deposit items.

**Unavailability of Services:** I 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, mobile service provider, Internet software and mobile device application. In the event that the Services are unavailable, I acknowledge that I can deposit an original check at your branch, through your ATMs, at a shared branch or by mailing the original check to you at 2310 E. El Segundo Blvd, El Segundo, Ca 90245. It is my sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by you. However, you will email notification of items that are rejected by the next business day following rejection.

**Business Day and Availability Disclosure:** Your business days are Monday through Friday, except holidays.

**Funds Availability:** I understand and agree that, for purposes of deposits made using the Services, the place of deposit is El Segundo, California. I understand that following your receipt and processing of the image, funds from the check will be made available for my withdrawal and/or use in accordance with the terms and conditions of your Account Agreement’s Funds Availability Policy.

**Accountholder’s Warranties:** I make the following warranties and representations with respect to my use of the Services and each image of an original check I transmit to you utilizing the Services:

- 1) Each image of a check transmitted to you is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
- 2) The amount, the payee, signature(s), and indorsement(s) on the original check are legible, genuine, and accurate.
- 3) Each check that I submit to you for deposit will not be resubmitted in any format to you or to any other person for payment and will not cause the same drawer’s account to be debited more than once.
- 4) Other than the digital image of an original check that I remotely deposit through your Services, there are no other duplicate images of the original check.
- 5) Each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- 6) The information I provided in my Application remains true and correct and, in the event any such information changes, I will immediately notify you of the change.

- 7) I have not knowingly failed to communicate any material information to you.
- 8) I have possession of each original check deposited using the Services and neither I nor any other party will submit the original check for payment.
- 9) My account into which I deposit checks using the Services, and the funds from such checks, are only used for consumer purposes and not for business purposes.
- 10) I will not use the Services and/or my accounts for any illegal activity or transactions.
- 11) Files and images transmitted to you will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.

**Storage of Original Checks:** I must securely store each original check that I deposit using the Services for a period of at least sixty (60) days after transmission to you. After such period expires, and by no later than ninety (90) days after I transmit the original check, I will destroy the original check. I understand and agree that I am responsible for any loss caused by my failure to secure the original checks.

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

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

**Telephone you at: 310-336-5030 or 800-795-2325**

**or e-mail you at: [mbrsrvcs@aerofcu.org](mailto:mbrsrvcs@aerofcu.org)**

**Limitation of Liability:** UNDERSTAND AND AGREE THAT YOU ARE NOT RESPONSIBLE FOR ANY INDIRECT, CONSEQUENTIAL, PUNITIVE, OR SPECIAL DAMAGES OR DAMAGES ATTRIBUTABLE TO MY USE OF THE SERVICES OR MY BREACH OF THIS DISCLOSURE AND AGREEMENT.

**Charges for Use of the Services:** All charges associated with the Services are disclosed in your Schedule of Fees and Charges which is available on your website.

**Warranties:** I UNDERSTAND THAT THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. I UNDERSTAND THAT THE CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, INTERNET SERVICE PROVIDER, MOBILE SERVICE PROVIDER, INTERNET SOFTWARE OR MOBILE DEVICE APPLICATION, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET SERVICE PROVIDER, MOBILE SERVICE PROVIDER, INTERNET SOFTWARE OR MOBILE DEVICE APPLICATION, 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 MY PERSONAL COMPUTER OR MOBILE DEVICE HARDWARE, SOFTWARE, OR ANY OTHER RELATED EQUIPMENT OR APPLICATION.

**Change in Terms:** You may change the terms and charges for the Services indicated in this Disclosure and Agreement by notifying me of such change in writing and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. My use of

the Services after receipt of notification of any change by you constitutes my acceptance of the change.

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

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

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

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

**Limitations on Frequency and Dollar Amount:** I understand and agree that I cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth in the Confirmation.

**Unacceptable Deposit:** I understand and agree that I am not permitted to deposit the following items using the Services:

- 1) Any item drawn on the account I am depositing to;
- 2) Any item that is stamped with a "non-negotiable" watermark;
- 3) Any item that contains evidence of alteration to the information on the check;
- 4) Any item issued by a financial institution in a foreign country;
- 5) Any item that is incomplete;
- 6) Any item that is "stale dated" or "post dated" or
- 7) Any third party check, i.e., any item that is made payable to another party and then endorsed to me by such party.

**Changes in Financial Circumstances:** I understand and agree that I must inform you immediately in the event my financial circumstances as evidenced in my Application and any supporting financial information changes. This includes, but is not limited to, notification of the following: (a) any creditor tries to take any of my property on or in which you have a lien or security interest, including a garnishment of any of my accounts with you; (b) a judgment or judgments is entered against me in the aggregate amount of \$250 or more that is not satisfied within thirty (30) days or stayed pending appeal; (c) an involuntary lien or liens is attached to any of my assets or property and not satisfied within thirty (30) days or stayed pending appeal; (d) an adverse change occurs in my financial condition or applicable credit histories; and (e) I am in default under any agreement for borrowed money or any other material contract. I agree to provide you any financial records you reasonably request to determine my financial status during the term of this Disclosure and Agreement.

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

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

**Force Majeure:** I understand and agree that you are not responsible or liable for any loss, liability, damages, expenses, or cost of any kind resulting from any delay in the Services due to causes beyond your reasonable control.