



SACRAMENTO

CREDIT UNION

MOBILE DEPOSIT TERMS AND CONDITIONS

IMPORTANT DOCUMENT

PLEASE KEEP FOR YOUR RECORDS

Your enrollment and use of the Sacramento Credit Union Mobile Deposit Service (the “Service”) is governed by the terms of this Sacramento Credit Union Mobile Deposit Service Terms & Conditions (the “Agreement”). You acknowledge that you have read this Agreement and will retain a copy for your records.

In this Agreement, the words “you” and “your” refer to you as the person or business entity entering into this Agreement. The words “you” and “your” also include any user you authorize to use the Service on your behalf. The words “Credit Union,” “we,” “us,” and “our” refer to Sacramento Credit Union. Other agreements you have entered into with the Credit Union, including but not limited to the Truth in Savings and Electronic Funds Transfer disclosures governing your Credit Union account(s) (collectively referred to as (the “other agreements”), are incorporated by reference and made a part of this Agreement. In the event of a discrepancy between this Agreement and the other agreements, the terms of this Agreement shall control.

Sacramento Credit Union Mobile Deposit Service (“Sacramento Credit Union Mobile Deposit Service” or “Service”)

A. Description of the Service. The Service enables you to use a Sacramento Credit Union Mobile Banking application and certain hardware (such as a Smartphone or other mobile device) to (i) create electronic images of the front and back of certain Paper Items¹ and (ii) transmit those images and other information, including, without limitation, information captured from the magnetic ink character recognition (“MICR”) line, to us for review and processing in accordance with this Agreement. “Electronic Item” means the electronic image of each Paper Item and other information captured from the Paper Item. After we receive your transmission, we will review each Electronic Item. For each Electronic Item that we determine is eligible for processing as described below, we will:

1. Create a substitute check that we will present directly or indirectly to the bank (a) on which the original Paper Item to which the Electronic Item relates is drawn, or (b) at or through which the Paper Item is payable (each, the “Paying Bank”);
2. Include the Electronic Item in an electronic file for presentment directly or indirectly to the Paying Bank; or
3. Present or post any Electronic Item for which we are the Paying Bank.

B. Qualification. In order to enroll in the Service, you must be designated as an authorized signer or owner of a Credit Union Account (an "Account") that is eligible for this Service, and be approved by the Credit Union.

C. Conditions to Provision of the Service. As conditions to provision of the Service, you shall (a) maintain the Account in good standing, (b) subscribe to Sacramento Credit Union Online Banking, and (c) comply with such restrictions on the Service as we may communicate to you from time to time. Your use of the Service constitutes your acceptance of this Agreement. The Credit Union reserves the right to change the terms and charges for the Service described in this Agreement by notifying you of such change in writing and the Credit Union may amend, modify, add to, or delete from this Agreement from time to time. Your continued use of the Service will indicate your acceptance of the revised Agreement.

D. Compliance with Laws. You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Service, as well as all laws relating to the banking transactions contemplated hereunder. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which we are a party that govern the Service 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.

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

F. Fees. The Service is provided at no charge to you at this time. We may, upon at least thirty (30) days prior notice to you, to the extent allowed by applicable law, charge a fee for use of the Service. If you continue to use the Service after the fee becomes effective, you agree to pay the service fee that has been disclosed to you, as may be amended from time to time. Further, you will be required to designate an account at the Credit Union from which fees for the Service will be debited (your "Billing Account").

If the Billing Account is closed, or if the Billing Account does not have sufficient available funds to cover the fees, you authorize us to charge any such fees to any other deposit account you maintain with us.

G. Creating and Transmitting Electronic Items to the Credit Union. You agree to photograph and deposit only "checks" as that term is defined in Federal Reserve Regulation CC ("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. You understand and agree that the following items may not be deposited through the Service: international checks, "remotely created checks" as defined by Regulation CC (whether in paper form or electronically created), checks drawn against a line of credit, cash, any third party check (i.e., any item that is made payable to another party and then endorsed to you by such party), any item drawn on your personal Account at the Credit Union, any item that contains evidence of alteration

to the information on the check, any check previously converted to a “substitute check” as defined in Regulation CC, any item that is “stale dated” more than six (6) months prior to the date of deposit, any item that is “post dated” after the date of deposit, any item stamped “non-negotiable” (whether stamped in print or as a watermark), any item that has been re-deposited or returned such as “non-sufficient funds” or “refer to maker” or returned for any other reason, any item that is incomplete, or savings bonds. Deposits of this nature will result in the immediate termination of the Service. Except as noted in the preceding sentence, only checks, money orders, cashier’s checks, or traveler’s checks, drawn on or payable at or through a U.S. bank, can be transmitted through the Service. Additionally, only Items that are made payable to, and endorsed by, you may be transmitted through the Service.

H. 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 taking the picture of the Paper Item, you will restrictively endorse any item transmitted through the Service as “For deposit only, Sacramento Credit Union account #####” or as otherwise instructed by the Credit Union. You agree to follow any and all other procedures and instructions for use of the Service as we may establish from time to time. The photographed image of the check transmitted to us using the Service must accurately and legibly provide, among other things, the following information: (a) your endorsement; (b) 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 (c) 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 Regulation CC, or any other regulatory agency, clearing house or association.

I. Processing Your Electronic Item(s). If you transmit your Electronic Item(s) to the Credit Union before 3:00 PM Pacific Time (the “Cut-Off Time”) on any Business Day,² we shall review and process your Electronic Item(s) on that Business Day. If you transmit your Electronic Item(s) to us after the Cut-Off Time on any Business Day, we shall review and process your Electronic Item(s) on the next Business Day. Your Electronic Item(s) is deemed to have been received by the Credit Union when the Service generates a confirmation message. 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.

J. Exception Items. Each Business Day on which we review and process your Electronic Item(s), we will use commercially reasonable efforts to review each Electronic Item and to reject any Electronic Item that we in our sole discretion determine to be ineligible for the Service (each, an “Exception Item”). Exception Items include, without limitation, an Electronic Item that (a) is illegible or contains MICR data that is not machine-readable, (b) was previously processed as an Electronic Item, or (c) is drawn on a bank or banks located outside the United States and is not payable at or through a bank located within the United States. We will notify you of each Exception Item through the Sacramento

Credit Union Mobile Deposit History, or other communication channels at our discretion. If you wish to attempt to deposit any Exception Item to your Account, you shall do so only by depositing the original Paper Item on which the Exception Item is based or as otherwise agreed between you and the Credit Union. Even if we do not initially identify an Electronic Item as an Exception Item when we review and process the Electronic Item to which the Exception Item relates, the Electronic Item, substitute check, or the purported substitute check created by us from it may nevertheless be returned to us because, among other reasons, the Paying Bank determines that such item or check is illegible or missing an image. Our failure to identify an Exception Item shall not preclude or limit your obligation to the Credit Union under Paragraph U. 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.

K. Deposits to the Account. Subject to our right to identify and reject Exception Items, we shall be deemed to have accepted each Electronic Item that is not an Exception Item for deposit to the Account on the Business Day that we process the Electronic Item and provide a confirmation message in accordance with Paragraph I. You understand and agree that, for purposes of deposits made using the Service, the place of deposit is Sacramento, California. 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 Regulation CC policy previously provided to you. 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, and you agree to indemnify us against any loss we suffer because of our acceptance of the check deposited through the Service.

L. Email Address. You agree to notify us immediately if you change your email address, as this is the email address where we will send you notification of receipt of items deposited through the Service.

M. Unavailability of Service. You understand and agree that the Service may at times be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Service is unavailable, you acknowledge that you can deposit an original Paper Item at our branches or through our ATMs or by mailing the original Paper Item to Deposit Support, Sacramento Credit Union, PO BOX 2351, Sacramento, CA 95812. It is your sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by us.

N. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Service and to modify such limits from time to time.

O. In Case of Errors. You agree to immediately notify us of any suspected errors regarding checks deposited through the Service by calling (916) 444-6070.

P. Periodic Statement. Any deposits made through the Service will be reflected on your monthly periodic statement. You understand and agree that you are required to notify us of any error relating to images transmitted using the Service by no later than sixty (60)

days after you receive the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

Q. Ownership & License. You agree that we retain all ownership and proprietary rights in the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Service (a) in any anti-competitive manner, (b) for any purpose which would be contrary to the Credit Union's business interest, or (c) to the Credit Union's 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 Service.

R. Security Procedures. Any individual authorized by you to access the Service (a "User") shall do so by entering a user name and a password, or other unique identifier that may be required (collectively referred to herein as "Security Credentials"). No person employed by the Credit Union shall have access to any Security Credentials you or your Users create.

FAILURE TO PROTECT YOUR HARDWARE AND SECURITY CREDENTIALS MAY ALLOW AN UNAUTHORIZED PARTY TO ACCESS THE SERVICE AND TRANSMIT AN ELECTRONIC ITEM FOR DEPOSIT. ALL USES OF THE SERVICE THROUGH YOUR SECURITY CREDENTIALS WILL BE DEEMED TO BE USES AUTHORIZED BY YOU AND BE BINDING UPON YOU. YOU ASSUME THE ENTIRE RISK FOR THE FRAUDULENT OR UNAUTHORIZED USE OF YOUR SECURITY CREDENTIALS. YOU AGREE TO (a) EXERCISE RESPONSIBLE BEHAVIOR WHEN USING THE SERVICE, (b) FOLLOW THE INSTRUCTIONS AND RECOMMENDATIONS THAT THE CREDIT UNION PROVIDES YOU WITH RESPECT TO THE SERVICE AND (c) USE MAXIMUM CAUTION IN PROTECTING YOUR HARDWARE AND SECURITY CREDENTIALS FROM UNAUTHORIZED ACCESS. YOU AGREE TO NOTIFY THE CREDIT UNION IMMEDIATELY IF YOU BECOME AWARE OF ANY LOSS OR THEFT OF, OR ANY UNAUTHORIZED USE OF THE SERVICE OR YOUR SECURITY CREDENTIALS.

S. DISCLAIMER OF WARRANTIES. YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICE 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 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 NONINFRINGEMENT. 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 CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE OR MAINTENANCE OF YOUR PERSONAL COMPUTER HARDWARE, SOFTWARE OR OTHER EQUIPMENT.

T. 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 SERVICE 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 SERVICE, OR YOUR BREACH OF THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF THE CREDIT UNION HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

U. Your Warranties to the Credit Union. You represent and warrant to the Credit Union that:

U.1 You will use the Service only for Paper Items that are payable to, and indorsed by, you.

U.2. You will properly secure all hardware you use in connection with the Service (including, but not limited to, the hardware containing the Security Credentials to prevent unauthorized use). You will maintain control over and be responsible for secure retention, storage, and destruction of original Paper Items for which you have created an Electronic Item. You agree that after transmitting the Electronic Item to us, you will retain the original Paper Items for a minimum of thirty (30) calendar days, but no longer than sixty (60) calendar days, from the transmission date (the "Retention Period"). You will retain and store the original Paper Items in a secure and locked container that is only accessible by persons needing access to such Paper Items. During the Retention Period and upon our request, you agree to provide us with the original Paper Item(s). Once the Retention Period has expired, you will securely and irretrievably destroy original Paper Items from which you have previously created and submitted to us an Electronic Item. You understand and agree that you are responsible for any loss caused by your failure to secure the original Paper Items. 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 the Credit Union as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for the Credit Union's 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.

U.3. You will not submit any duplicate Electronic Items to us.

U.4. You will not deposit to your Account or otherwise negotiate any original Paper Item from which you have previously created and submitted to us an Electronic Item.

U.5. You will transmit to us only Electronic Items that are suitable for processing, including, but not limited to, Electronic Items that are legible and contain machine-readable MICR data.

U.6 You will review and verify for accuracy the information contained in the Electronic Item(s) before you transmit it to us.

U.7 You will only transmit Electronic Item(s) that are drawn on or payable at or through banks located within the United States.

U.8 You will not store or make a back-up copy of the Electronic Item(s).

U.9 Any User of the Service is at least 18 years of age.

U.10 Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original Paper Item, without any alteration, and the drawer of the check has no defense against payment of the check.

U.11 Other than the digital image of an original Paper Item that you deposit through the Service, there are no other duplicate images of the original Paper Item.

U.12 Each original Paper Item was authorized by the drawer in the amount stated on the original Paper Item and to the payee stated on the original Paper Item.

U.13 You have not knowingly failed to communicate any material information to us.

U.14 You will not use the Service and/or your Account(s) for any illegal activity or transactions.

U.15 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.

V. Your Agreement to Indemnify the Credit Union. You understand and agree that you will indemnify, defend, and hold harmless Sacramento Credit Union, its directors, officers, employees, and agents (collectively in this Paragraph V, "Indemnities") from and against any and all actions, liabilities, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered (collectively, "Losses and Liabilities") by Indemnities arising directly or indirectly out of your use of the Service and/or breach of this Agreement. You understand that this Paragraph V shall survive the termination of this Agreement.

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

X. Right to Audit. We may periodically audit and verify your compliance with this Agreement. You agree to cooperate and provide information or documents, at your expense, as may be reasonably requested by the Credit Union in the course of such audit.

Y. Relationship to Other Disclosures. The information in this Agreement applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain in effect for all other aspects of your Account.

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

AA. Changes in Financial Circumstances. You understand and agree that you must inform us immediately in the event your financial circumstances. This includes, but is not limited to, notification of the following: (a) any creditor tries to take any of your property on or in which we have a lien or security interest, including a garnishment of any of your accounts with us; (b) a judgment or judgments is entered against you 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 your assets or property and not satisfied within thirty (30) days or stayed pending appeal; (d) an adverse change occurs in your financial condition or applicable credit histories; or (e) you are in default under any agreement for borrowed money or any other material contract. You agree to provide us any financial records we reasonably request to determine your financial status during the term of this Agreement.

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

CC. 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.

DD. Relationship. This 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.

EE. Force Majeure. You understand and agree that we 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 our reasonable control.

FF. Other Terms. You may not assign this Agreement. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.

GG. Definitions.

GG.1 Check (as defined in Regulation CC) a negotiable demand draft that is drawn on:

- Or payable through or at an office of a bank or credit union;
- A Federal Reserve Bank or a Federal Home Loan bank;
- The Treasury of the United States;
- A state or local government that is not payable through or at a bank or credit union
- A United States Postal Service money order;
- A Traveler's check drawn on or payable through or at a bank or credit union
- An original or substitute check.

GG.2 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.

GG.3 Remotely Created Check (as defined in Regulation CC) A check that is not created by the paying bank and does not bear a signature by the person on whose account the check is drawn, but is authorized by the account owner.

GG.4 Substitute Check (as defined in Regulation CC) is a check reproduction of an original check that

- Contains an image of the front and back of the original check;
- 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.
- Conforms in paper stock, dimension, and otherwise with ANSI X9.100-140 and
- Is suitable for automated processing in the same manner as the original check.

¹ A "Paper Item" is an Item that is in paper form. For purposes of this Agreement, an "Item" includes a check, a substitute check, purported substitute check, draft, demand draft, preauthorized draft, image replacement document, money order, cashier's check or traveler's check.

² A "Business Day" is every day except Saturdays, Sundays, and federal holidays.