



ELECTRONIC FUNDS TRANSFERS

The following terms govern your and our rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service. Electronic funds transfers ("EFTs") are electronically initiated transfers of money through direct deposits, automated teller or cash machines ("ATMs"), audio response ("24HR Teller") transactions, card purchases, home banking ("PCCU Online Banking"), and certain other transactions involving your deposit accounts at the Credit Union.

1. Services.

- a. *ATMs.* On approval, you may use your ATM card or VISA Debit Card ("Card") and your access code in ATMs of the Credit Union, the Acceltm Network and such other machines we may designate. At the present time, you may use your Card to make the following transactions on your accounts:
 1. Withdraw cash from your share draft or regular share accounts;
 2. Transfer funds between your share draft or regular share accounts; and
 3. Deposit funds to your regular share or share draft accounts.
- b. *POS Purchases.* You may use your Card to purchase goods and services any place your Card is honored by participating merchants, including Point of Sale ("POS") terminals. Funds to cover your Card purchases will be deducted from your share draft account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to the overdraft protection plan or may terminate all services under the Agreement.
- c. *Direct Deposit.* On instruction of (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security.
- d. *PCCU Online and Mobile Banking*
 1. *Account Access.* If we approve your application for the PCCU Online Banking service, you may use a personal computer (PC) or other electronic device, such as a mobile phone, to access your accounts. This PC or electronic device must have access to the Internet. We may assign or you may select a user name and password. You must use your user name and password to access your accounts. You are responsible for the cost, installation, maintenance and operation of any hardware or software required to access PCCU Online and Mobile Banking. The Credit Union will not be responsible for any errors or failures involving any telephone service, Internet service provider, your software installation or your electronic device.
 2. *Types of Transactions.* At the present time, you may use the services to:
 - a) Transfer funds between your checking, savings account, and money market and loan accounts;
 - b) Obtain account information related to any savings or loan account regarding current balance, checking history, dividends and rates, loan interest and payoff amounts, payroll and automatic deductions;
 - c) Make payment transfers to participating merchants (payees), review bill payment history and change or cancel scheduled bill payments (Bill Pay services may be limited on Mobile App);
 - d) Make loan payments from any savings or checking account to a loan account of yours at the Credit Union; and
 - e) Communicate with the Credit Union using the electronic mail (E-mail) feature. (not available on Mobile App).

Types of Transactions may be limited in the Mobile Banking App. Transactions involving your deposit accounts will be subject to your Membership and Account Agreement and transactions involving a loan account will be subject to your Consumer Loan Agreement and Disclosures.

- e. *24HR Teller.* If we approve the 24HR Teller audio response access service for your accounts, you must designate a separate four (4) digit personal identification number ("PIN"). You must use your PIN along with your account number to access your accounts. At the present time you may use the audio response access to:
 1. Obtain transaction, balance, withdrawal, dividend, and due date information on your accounts at the Credit Union;
 2. Transfer funds between your checking, savings, money management, and loan accounts as allowed, including loan payments; and



3. Transfer funds from your savings, checking, or money management account to a loan account of yours; and
 4. Request a savings or checking withdrawal or loan advance by a check mailed to you.
- f. *Electronic Check Transactions.* You authorize us to honor any electronic check conversion transaction and re-presented check free debit transactions you authorize (“electronic check transactions”). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant’s right to process the transaction. Notice may include a sign posted by the merchant at the time and place of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions, except the \$50 and \$500 limits of liability for unauthorized transactions in Section 5. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

2. Service Limitations.

- a. *ATMs*
1. *Withdrawals.* There is a Daily ATM limit of \$1,500 and a maximum of 5 ATM transactions per day at Credit Union and nonproprietary ATMs. You may be charged an ATM fee as set forth in the Rate and Fee Schedule. Subject to Daily ATM limits and limits placed on each individual ATM, you may withdraw an amount up to the amount of available funds in your account.
 2. *Transfers.* You may transfer between your savings and share draft accounts up to the balance in your accounts at the time of the transfer at available locations.
 3. *Deposits.* Because of the servicing schedule and processing time required in ATM operations, there is a delay between the time a deposit (cash or check) is made and when it will be available for withdrawal. The Credit Union’s Funds Availability Policy at ATMs is set forth in Section 6.
- b. *POS Purchases.* There is no limit on the number of POS purchase transactions you may make by Card during a statement period. No purchase may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw on insufficient funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available funds. Some merchants may permit you to initiate debit transactions with your Card using either the VISA network or another network shown on your Card. The Credit Union will honor your debit transactions processed by any of these networks. Transactions processed over the VISA network do not require you to use your PIN to validate the transaction. Generally, you will sign a receipt, provide your card number (e.g. Internet, mail or telephone transactions), or swipe your card at a terminal. Also, there are certain protections and rights such as the zero liability protections in Section 5 (Member Liability) applicable only to VISA processed transactions. Transactions processed over other networks may not require you to use your PIN in order to validate a transaction. Generally, you enter your card number or swipe your card and provide or enter a PIN. However, some merchants may not require you to provide a PIN, and allow you to choose whether the transaction is processed by VISA or another network. Provisions applicable only to VISA transactions (such as VISA’s zero liability protections) will not apply to non-VISA debit transactions and the liability rules for other EFTs in Section 5 (Member Liability) will apply.
- c. *PCCU Online Banking.* The service is normally accessible seven (7) days a week, 24 hours a day.
1. *Transfers.* You may make funds transfers to your accounts or other accounts you authorize as often as you like. However, transfers from a share account or money management account will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or available credit line at the time of the transfer, except as limited under other agreements. The Credit Union reserves the right to refuse any transaction that would draw on insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.
 2. *Account Information.* The account balance and transaction history may be limited to recent account information. The availability of funds for transfer or withdrawal may be limited due to the processing time for ATM transaction and our Funds Availability Policy.
 3. *E-Mail and Stop Payment Requests.* The Credit Union may not immediately receive E-Mail communications that you send and the Credit Union will not take action based on E-mail requests



until the Credit Union actually receives your message and has a reasonable opportunity to act. Any stop payment request you transmit electronically is deemed to be an oral request and will expire in fourteen (14) days unless confirmed in writing in accordance with this Membership and Account Agreement.

4. **Bill Payments.** You may authorize new payment instructions or edit previously authorized payment instructions for bill payments that are either periodic and nonrecurring (i.e. payments on merchant charge accounts that vary in amount) or automatic and recurring (i.e. fixed mortgage payments). When you transmit a bill payment to us, you authorize us to transfer funds to make the bill payment transaction from the account you designate. We will process bill payment transfer requests only to such creditors as you authorize and for whom the Credit Union has the proper payee information. The Credit Union will not process any bill payment transfer if the required transaction information is incomplete. If there are insufficient funds in your account to make the bill payment or make the payment and transfer funds from any overdraft protection account you have established, your payment may be returned. The Credit Union reserves the right to refuse to process payment instructions that reasonably appear to the Credit Union to be fraudulent or erroneous. When the Credit Union receives payment instructions from you, you authorize us to debit your account for the amount indicated in your instructions, plus any related fees, and to remit funds on your behalf. It is your responsibility to schedule your bill payments in such a manner that your obligations will be paid on time. You should enter and transmit your bill payment instructions at least seven (7) days before a bill is due. You are responsible for any late payments or finance charges that may be imposed as a result of your failure to transmit a timely payment authorization. You may cancel or edit any scheduled payment (including recurring payments) by following the directions found within PCCU Online Banking. There is no charge for canceling or editing a Scheduled Payment. Once the service has begun processing a payment, it cannot be cancelled or edited, therefore a stop payment request must be submitted. The ability of the Credit Union to process a bill pay stop payment request will depend on the payment method and whether or not a check has cleared. The Credit Union may also not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you desire to stop any payment that has already begun to be processed, you must contact the Credit Union. Although the Credit Union will make every effort to accommodate your request, the Credit Union will have no liability for failing to do so. The Credit Union may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge set out in the applicable Rate and Fee Schedule. You may call the Credit Union at the number set forth in Section 5. to request a stop payment.
- d. **24HR Teller.** Your accounts can be accessed under 24HR Teller audio response via a touchtone telephone, either a cellular or landline. Audio response service will normally be available for your convenience seven (7) days per work. This service may be interrupted for a short time each day for data processing. While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, there are certain limitations on transfers from a savings account. Transfers from a share or money market account will be limited to six (6) in any one month. No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw on insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. There is no limit on the number of transaction requests you may make during a single phone call. The system will discontinue service after thirty (30) seconds if no transaction is entered, and after ten (10) minutes in all cases. If you wish to make any further transactions, you will have to call back. The system will also discontinue service after three (3) unsuccessful attempts to enter a transaction.

3. Conditions of EFT Use.

The use of your Account and EFT services are subject to the following conditions:

- a. **Ownership of Cards.** Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or account to another person. You may not use the Card for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.



- b. *Honoring the Card.* Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.
- c. *Illegal Use of Internet Gambling.* You agree that all transactions that you initiate by use of your VISA Debit Card are legal in the jurisdiction where you live and/or where the transaction occurred. Internet gambling may be illegal in the jurisdiction in which you are located, including the United States. Your 28 VISA Debit Card may only be used for legal transactions. Display of a payment card logo by an online merchant does not mean that internet gambling transactions are lawful in all jurisdictions in which you may be located. We have restricted all online gambling transactions with the VISA Debit Card.

4. Security of Access Code.

The personal access code ("access code") or PIN issued to or selected by you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on or with the Card. You are responsible for safekeeping of your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access code that authority shall continue until you specifically revoke such authority by notifying the Credit Union. If you fail to maintain the security of these access codes we may terminate your EFT and account services immediately.

5. Member Liability.

- a. *Business Accounts.* For business accounts, the Credit Union will not be responsible for any losses or damages you may incur regarding the unauthorized access to or use of your account or service resulting from any compromise of your data.
- b. *Consumer Accounts.* You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. Tell us at once if you believe anyone has used your account, Card or access code and accessed your accounts without your authority or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. For VISA Debit Card transactions, if you notify us of your lost or stolen card, you may not be liable for any losses provided that you notify us promptly and you were not grossly negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. For all other Card transactions, if you tell us within two (2) business days, you can lose no more than \$50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or Card service, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500. In no event will you be liable for more than \$50 for unauthorized withdrawals from a line of credit account. Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may be liable for the full amount of the loss if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call:

(360) 695-5121
(800) 252-6525

Or write:

People's Community Federal Credit Union
PO Box 764
Vancouver, WA 98666-0764



6. Business Days.

Our business days and hours are Monday through Friday, 9:00 a.m. to 5:30 p.m. Holidays are not included.

7. Fees and Charges.

There are certain charges for electronic fund transfer services, replacement Cards, or access codes as set forth on the Rate and Fee Schedule. From time to time, the charges may be changed. We will notify you of any changes as required by law. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network used for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction. Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by VISA International, Inc. is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable transaction, which rate may vary from the rate VISA itself receives, or the rate mandated by a government or governing body in effect for the applicable Transaction. In addition, you will be charged an International Transaction Fee for any card transaction made in a foreign country. This fee applies to any card transaction made at a location in a foreign country, or payable to a merchant located in a foreign country even if you initiate the transaction from within the United States. See our Rate and Fee Schedule for the current foreign transaction fee. If you conduct an ATM or debit card transaction and you have provided an opt-in for the Courtesy Pay service or you conduct any other electronic funds transfer and overdraw your account, you agree to pay an overdraft fee as set forth in the Rate and Fee Schedule.

8. Right to Receive Documentation of Transfers.

- a. *Periodic Statements.* Transfers and withdrawals transacted through an EFT service will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.
- b. *Direct Deposits.* If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling the telephone number set forth in Section III.5. Member Liability.
- c. *Terminal Receipt.* You will receive a receipt at the time you make a transaction using an ATM, POS terminal or with a participating merchant, except some electronic terminals will not provide receipts for transactions of \$15 or less.

9. Account Information Disclosure.

We will disclose information to third parties about your account or the transfers you make:

- a. As necessary to complete transfers;
- b. To verify the existence of sufficient funds to cover specific transactions on the request of a third party, such as a credit bureau or merchant;
- c. To comply with government agency or court orders; or
- d. If you give us your written permission.

10. Credit Union Liability for Failure to Make Transfers.

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

- a. If, through no fault of ours, you do not have adequate funds in your account to complete a transaction, your account is closed, or the transaction amount would exceed your credit limit on your line of credit;
- b. If you used the wrong access code or you have not properly followed any applicable computer, Internet or Credit Union instructions for making transfer and bill payment transactions;
- c. If your computer fails or malfunctions or if the Credit Union's PCCU Online Banking system was not properly working and such problem should have been apparent when you attempted such transaction;
- d. If the ATM where you are making the transfer does not operate properly, does not have enough cash or you use your Card improperly;
- e. If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment or power failure) prevent making the transaction;
- f. If your account is frozen because of a delinquent loan or is subject to legal process or other claim;
- g. If the error was caused by a system beyond the Credit Union's control such as your Internet service provider or the telephone equipment or service you use;



- h. If you have not given the Credit Union complete correct and current instructions so the Credit Union can make a transfer or bill payment;
- i. If the error was caused by a system of The ACCELsm Network, or any applicable ATM network. The ATM may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement;
- j. If the accounts to which you request a bill payment transfer to be made have been closed or the vendor will not accept such payments; or
- k. If there are other exceptions as established by the Credit Union;
- l. If you have bill payment services, the Credit Union can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. The Credit Union is not responsible for investigating such errors.

11. Preauthorized Electronic Funds Transfers.

- a. *Stop Payment Rights.* If you have arranged in advance to make regular electronic funds transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify the Credit Union orally or in writing at the telephone numbers and address stated above any time up to three (3) business days before the scheduled date of the transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do require the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- b. *Notice of Varying Amounts.* If these regular payments may vary in amount, the company you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be.
- c. *Liability for Failure to Stop Payment of Preauthorized Transfers.* If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

12. Termination of Electronic Funds Transfer Services.

You agree that we may terminate this Agreement and any Card or electronic funds services, if you or any authorized user of your Card or access code, breach this or any other agreement with us, or if we have reason to believe that there has been an unauthorized use of your Card or code, or you breach any provisions of your Membership and Account Agreement or any other agreement with the Credit Union. You or any account owner can terminate this Agreement for electronic funds transfer services by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice and surrender of your Card. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination. No further electronic funds transfer services will be provided on your account. If you are in breach of this Agreement, any service agreement with the Credit Union or we suspect fraudulent activity on your account, the Credit Union may without prior notice restrict access to your accounts or suspend your electronic services or access devices, including ATM or debit cards and online or mobile banking services. Such restrictions may continue until you cure any breach condition or any fraud condition is resolved.

13. Notices.

The Credit Union reserves the right to change the terms and conditions on which any electronic fund transfer service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law, to the last known address. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

14. Billing Errors.

Billing Errors For Consumer Accounts. The following billing error rights apply to consumer accounts, but not business accounts. In case of errors or questions about your electronic transfers, telephone us at the phone numbers or write us at the address set forth above as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears.

- a. Tell us your name and account number.
- b. Describe the transaction you are unsure about, and explain as clearly as you can why you believe it is in error or why you need more information.
- c. Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct the error promptly. For errors related to



transactions occurring within thirty (30) days after the first deposit to the account (new accounts), we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or question (ninety (90) calendar days for POS transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States). If we decide to do this, we will re-credit your account within ten (10) business days (five (5) business days for VISA Debit Card purchase transactions) 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 recredit your account. If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) relied on to conclude that the error did not occur. Any re-credit to your account for this transaction will then be reversed.

15. ATM and Night Deposit Facilities Safety Notice.

The following information is a list of safety precautions regarding the use of ATM and night deposit facilities.

- a. Be aware of your surroundings, particularly at night.
- b. Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- c. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- d. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- e. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.
- f. If you are followed after making a transaction, go to the nearest public area where people are located.
- g. Do not write your personal identification number or code on your Card.
- h. Report all crimes to law enforcement officials immediately.

16. Mobile Deposit Service Agreement

This Mobile Deposit Service Agreement ("Agreement") between People's Community Federal Credit Union ("Credit Union" or "we") and Member governs the Mobile Deposit service ("Mobile Deposit" or "Service") provided to Member by Credit Union. By enrolling for or using the Service, Member agrees to the terms and conditions set forth in this Agreement. Credit Union may supply Member with additional online manuals, requirements, procedures, or specifications (collectively "Documentation") for use of the Mobile Deposit Service. All Documentation supplied by Credit Union is incorporated into this Agreement as if fully set forth herein. The Mobile Deposit Service is also subject to the terms and conditions of the People's Community Federal Credit Union Membership and Account Agreement. To the extent of any conflict, the provisions of this Agreement will govern the Mobile Deposit service.

- a. *Equipment/Software.* All equipment used in connection with the Mobile Deposit service must satisfy technical specifications and requirements set forth in the Documentation. Such technical specifications and requirements may change from time to time in Credit Union's sole discretion. Member assumes responsibility for any loss, damages, claims, expenses, or liability arising from malfunction of Member's equipment. Credit Union will not be responsible in any manner for any deficiency caused in whole or in part by inaccurate or otherwise deficient data programs, equipment, or communication facilities provided by Member or parties other than Credit Union. In addition, Member agrees that Member will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble, or decompile the Mobile Deposit technology or Service; (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.
- b. *Access to Service.* Items deposited through the Service must be deposited into a checking account. If Member does not maintain an account in good standing or abuses the Service, Member will no longer be eligible for the Service. Member must be a credit union member for 30 days or more and over the age of 18 to be eligible for the Service. Credit Union may choose to not offer the Service to any Member for any reason. Mobile Deposit is accessed through the Online Banking software access point. Member shall maintain the confidentiality and security of any passwords, security information, or devices used to access the Mobile Deposit service.



- c. Eligible Items.
- I. *Type of Item.* Using the Mobile Deposit service, Member may deposit only items drawn on financial institutions located within the United States. Items deposited using Mobile Deposit must be payable in United States Dollars. We will not accept Substitute Checks, Third-party Checks, Stale-dated Checks, Post-dated Checks or Checks drawn by you on an Account of yours at Credit Union. Foreign Items and Remotely created checks are not eligible for deposit using the Mobile Deposit service.
 - II. *Item Quality.* Items deposited using the Mobile Deposit service must be legible, and must be of sufficient quality to create an image that satisfies all applicable requirements under Regulation CC, this Agreement, and any other written standards that Credit Union provides to Member.
 - III. *Endorsement.* Each item must be endorsed by or on behalf of the depositor with their signature and the term "For mobile deposit only, PCFCU account # _____" in accordance with the instructions in Mobile Deposit.
- d. *Image Quality.* Member is responsible for creating images of checks to be deposited through the Mobile Deposit service. Each image of a check deposited through the Mobile Deposit service must accurately represent, in every respect, all the information on the front and back of the check as of the time the check is deposited. Such information includes but is not limited to the amount of the check, the payee, the drawer's signature, and all other elements of a negotiable instrument under Washington Uniform Commercial Code Article 3. The MICR line and information identifying the drawer and paying financial institution must be legible and unobscured. Member's endorsement and any other endorsements or information must also be unobscured. Images must conform to any standards for check image quality adopted by ANSI, the Federal Reserve, and any other standards communicated to Member by Credit Union.
- e. Transmission and Receipt of Files.
- I. *File Transmission.* Member shall transmit files containing check images and employing methods and procedures specified by Credit Union. Credit Union will acknowledge receipt of files by transmitting a message to Member in the manner specified in the Documentation. Member is responsible for providing Credit Union with a current Internet e-mail address and for notifying Credit Union of any changes. Files are not deemed received by Credit Union until Credit Union has notified Member acknowledging receipt of the file. Acknowledgment of receipt of a file by Credit Union serves only to confirm that the file was received, and shall not be construed as confirmation that the file complies with the requirements of this Agreement, or is error-free, or that any particular item was included in the file or has been deposited. All deposited items transmitted are reviewed prior to being credited to Member's account. Credit Union shall not bear any liability to any party for errors in transmissions, including images dropped, distorted, or otherwise degraded in transmission.
 - II. *Rejection of Files.* Credit Union may in its discretion reject any file transmitted by Member or to reject any item within a file, and shall have no liability of any nature to Member for doing so. Credit Union shall notify Member as soon as reasonably possible when it rejects any file or item transmitted by Member. You agree that Credit Union may at any time, in its sole discretion, refuse to accept deposits of checks from you via Mobile Deposit session. In the event that the Service is interrupted or are otherwise unavailable, you may deposit checks in-person at a Credit Union branch or via night drop or mail or other contractually acceptable method.
 - III. *Receipt and Crediting of Deposits.* No item is deposited to Member's account until Credit Union has received and processed the file containing the item, determined the item is acceptable for deposit, and has credited the item to Member's account. Member shall be responsible for verifying that deposits have been posted to appropriate accounts, and shall cooperate in any investigation and resolution of any unsuccessful or lost transmissions with the Credit Union. This may require Member to provide Credit Union with original documents as needed to resolve questions, disputes related to unusual transactions, or poor-quality transmissions.
 - IV. *Reconciliation.* Credit Union shall notify Member of any discrepancy in a file (such as variation in the amount Member purports to deposit and the amount as determined by Credit Union) within two business days after a file is processed by Credit Union.



- f. *Duty to Report Errors.* Member shall notify Credit Union of any errors, omissions, or interruptions in, or delay or unavailability of, the Services as promptly as practicable, and in any event within one (1) business day after the earliest of discovery thereof or the date discovery should have occurred through the exercise of reasonable care and, in the case of any error, within fourteen (14) days of the date of the earliest notice to Member which reflects the error. Failure of Member to notify Credit Union of any error, omission, or other discrepancy within seven (7) days from the date of a loss shall relieve Credit Union of any liability for such error, omission, or discrepancy.
- g. *Deposit/File Limitations.* Credit Union has established a daily deposit limit of \$1,500 on the aggregate or individual dollar amount of checks deposited using Mobile Deposit each day. The Credit Union reserves the right to establish different daily limits for all members from time to time and individual members based upon credit risk, subject to notice of such changes. Member agrees to abide by such limits and understands that Credit Union may reject deposits exceeding such limits. Credit Union may establish other limits on transactions by notifying Member.
- h. *Cutoff Times.* Deposits received by 3 p.m. Pacific Time through Mobile Deposit will receive next business day processing based on the business day on which they were received. If accepted, Credit to the Member's account will occur the business day the check has been processed. If the Mobile Deposit is received after 3 p.m. Pacific Time, the Deposit will be treated as if received and processed the next business day. All Mobile Deposits made during a weekend or holiday when the Credit Union is not open will be processed and credited as stated above on the next business day. Some deposits may require administrative approval by Credit Union before they are processed.
- i. *Funds Availability.* Credit Union will generally make funds from items deposited through Mobile Deposit available on the next business day following the processing of the deposit. The cutoff time set forth in this Agreement supersedes the cutoff time set forth in the funds availability policy. For purposes of funds availability, the Credit Union's headquarters is considered as the place of deposit.
- j. *Clearing and Presentment of Items.* Credit Union may present or send items deposited through Mobile Deposit for presentment by any method and procedures Credit Union in its sole discretion deems appropriate. For example, Credit Union may transmit items as images or as data without images, or Credit Union may use images transmitted by Member to create a "substitute check" (also referred to as image replacement document or "IRD"). Credit Union may present or send items for presentment through the Federal Reserve, through local, regional, or national clearinghouses or exchanges, or through any other channel(s) Credit Union deems appropriate.
- k. *Returned Deposits.* Member acknowledges and agrees that items deposited through Mobile Deposit and dishonored or otherwise returned unpaid will be returned to Member in the form of an electronic image, IRD, or paper copy of an IRD. Credit Union shall have no obligation regarding returned deposited items except as provided by applicable law, regulation, Federal Reserve rule or procedure, or clearinghouse rule. A Deposit Item Return Fee may be charged for any returned deposit.
- l. *Warranties.* With respect to each item transmitted to Credit Union through the Mobile Deposit service, Member warrants as follows:
 - I. The item is of the type that is permitted to be deposited using the Mobile Deposit service as set forth in this Agreement.
 - II. Member is a person entitled to enforce the item or is authorized to obtain payment on behalf of a person entitled to enforce the item.
 - III. The original item and the electronic image of the item satisfy all standards set forth in this Agreement and in any additional documentation provided by Credit Union.
 - IV. The image is not a duplicate of any image or item previously deposited by any method. The image is a true and accurate representation of the front and back of the original check, without any alteration. The drawer of the check has no defense against payment of the check.
 - V. The original item will not be deposited in any account or transferred to any other party by any means, and no person will receive a transfer, presentment, or return of, or otherwise be charged for the item (either the original item or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item that has already been paid.



- VI. Credit Union will not incur any loss or liability due to Member's transmission of an image rather than the original check.
 - VII. All information provided by Member in connection with the item, including but not limited to the image of the item, is true and correct and accurate to the best of Member's knowledge.
 - VIII. The original item will be destroyed in accordance with the terms of this Agreement.
 - IX. Member has handled the original item in accordance with all applicable laws, rules, and regulations. Member has complied with the terms of this Agreement, and any applicable laws, regulations, and with any additional rules, procedures, or guidelines Credit Union has supplied to Member.
 - X. Member has not transmitted any virus, worm, or data of any kind that will harm Credit Union's information or communication systems.
- m. *Fees.* Member shall pay Credit Union the fees, if any, associated with use of the Mobile Deposit service as set forth in Credit Union's current fee schedule applicable to Member's account.
- n. *Compliance with Law.* Member agrees to use the Service for lawful purposes, and to comply with all applicable laws, rules, and regulations applicable to the Service and to Member.
- o. *Indemnification.* Member agrees to indemnify, defend, and hold Credit Union harmless from and against any and all claims, damages, liabilities, or losses of any nature incurred by or asserted against Credit Union in connection with or related to Member's negligence, intentional misconduct, or breach of this Agreement.
- p. *Destruction of Original Items.* All original items deposited through the Mobile Deposit service are to be properly destroyed and disposed of within sixty (60) days after the date of deposit, unless Credit Union asks Member to retain an original of any specific item(s). During the period that you maintain any original checks, you understand and agree that you must use a high degree of care to protect these original checks against security risks. These risks include, without limitation, (i) theft or reproduction of the original checks (including by employees) for purposes of presentment for deposit of these original checks (i.e., after the original checks have already been presented for deposit via the Service) and (ii) unauthorized use of information derived from the original checks. When you dispose of any original checks, you understand and agree that you must use a high degree of care when selecting and implementing disposal procedures to ensure that the original checks are not accessed by unauthorized persons during the disposal process and, once destroyed, the original checks are no longer readable or capable of being reconstructed.
- q. *Data and Systems Security.* Member agrees to implement and maintain appropriate security measures to safeguard the security of images and data in Member's possession or control from unauthorized access or disclosure. In no event shall Member take precautions any less stringent than those employed to protect its own proprietary and confidential information. On request, Member shall provide Credit Union with information regarding Member's internal controls and security procedures. If Credit Union believes that Member's controls, security measures, and procedures are inadequate to safeguard the item images and data maintained by Member, Credit Union may require Member to establish additional controls, security measures, and procedures. Member agrees to indemnify, defend, and hold Credit Union harmless from and against any disclosure of or unauthorized access to any other party's confidential information (such as checking account number and financial institution) maintained by Member. Member agrees to notify Credit Union of any such disclosure, or of any penetration of Member's systems or information security measures by unauthorized parties.
- r. *Alternate Deposit Method.* Credit Union makes no warranty or representation as to availability of the Mobile Deposit service. Member shall maintain backup procedures and capabilities in order to deposit items by an alternate method if for any reason the Mobile Deposit service is inoperative or unavailable. Alternative deposit methods include but are not limited to, in person at Credit Union branch, via night drop, ATMs accepting deposits, US Mail, or other contractually accepted methods.
- s. *Amendment.* The Credit Union may amend the terms of this Agreement and the Service at any time by providing notice to Member.



- t. *Term and Termination.* This Agreement, together with the Membership and Account Agreement shall govern all use of the Service by Member. Either Credit Union or Member may terminate Member's use of the Service at any time for any reason. Notwithstanding termination, this Agreement shall govern the parties' rights, liabilities, and duties as to all items deposited using the Mobile Deposit service before or after termination.
- u. *Financial Responsibility.* You understand that you remain, solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds associated with accessing the Service. The Credit Union shall not be liable in any manner for such risk unless Credit Union fails to follow the procedures described in materials for use of the service. You assume exclusive responsibility for the consequences of any instructions you give to the Credit Union, for your failures to access the Service properly in a manner prescribed by the Credit Union, and for your failure to supply accurate input information, including, without limitation, any information contained in an application.
- v. *Enforcement.* You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the State of Washington as applied to contracts entered into solely between residents of, and to be performed entirely in, such state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Washington law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision may be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.
- w. *Disclaimer of Liability.* MEMBER ACKNOWLEDGES THAT THE SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM YOUR USE OF THE SERVICE. THE CREDIT UNION MAKES NO AND EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE SERVICE INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CREDIT UNION DISCLAIMS ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICE (INCLUDING, WITHOUT LIMITATION, THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). MEMBER FURTHER ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. MEMBER HEREBY ASSUMES ALL RISKS RELATING TO THE FOREGOING.

Credit Union shall have no liability to you, or any other person or entity for any loss, damage, cost, or expense arising out of this Agreement or the Service regardless of the form in which asserted, whether in contract, tort (including negligence), warranty, or any other legal or equitable grounds, and regardless of whether the remedies available fail of their essential purpose, except as provided by applicable law for any error or delay in performing the Service provided for in this Agreement, and we shall have no liability for not effecting a transaction, if:

- We receive actual notice or have reason to believe that you filed or commenced a petition or proceeding for relief under any bankruptcy or similar law
- The ownership of funds involving a transaction is in question
- We suspect a breach of the security procedures
- We suspect that your account has been used for illegal or fraudulent purposes; or
- We reasonably believe that a transaction is prohibited by federal law or regulation, or otherwise so provided in the Agreement.



Credit Union will not be liable if Member fails to report timely any error or discrepancy reflected in an account statement prepared by Credit Union, or if Member fails to report a breach of a security procedure. If Credit Union fails to perform under this Agreement in accordance with the standards set herein, Credit Union's liability for damages, losses, and other compensation owing to you will be limited as set forth above.