

## **ELECTRONIC FUND TRANSFER SERVICES**

### **ABOUT THIS AGREEMENT**

As used in this document the words “we,” “our,” “us”, and “Credit Union” mean American First Credit Union and the words “you,” and “your,” mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms “you” and “your” should not be interpreted, to expand an individual’s responsibility for an organization’s liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

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

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

### **Charges for Electronic Funds Transaction Services**

Charges associated with your electronic funds’ transactions are disclosed in our Schedule of Fees & Services; for certain optional electronic transactions available in Online Banking such as for Bill Pay, Account-to-Account Transfers, Zelle®, other fees may apply for services or expedited processing. These fees are disclosed to you at the time of the transaction or added to your transaction.

### **Change in Terms**

We may change the terms and charges for the services indicated in this Electronic Services Disclosure and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. If you have an account with us through which electronic

transactions are being processed, you will receive written notice at least twenty-one (21) days prior to the effective date of the change(s), or as otherwise provided by law.

### **Governing Law**

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

### **Copy Received**

You acknowledge receipt of a copy of this Disclosure and Agreement.

At the present time, American First Credit Union participates in several types of services that may be accomplished by electronic transfer: preauthorized deposits of net paycheck, payroll deductions, preauthorized deposits of pension checks and Federal Recurring Payments (for example, Social Security payments), preauthorized withdrawals for bill payments and other recurring payments, Automated Teller Machine (ATM) electronic fund transfer services at Credit Union owned ("Proprietary") ATMs and on "Shared Network" ATMs such as the CO-OP Network, Accel, and other systems as may be added from time to time, "MoneyLine" Audio Response Electronic Telephone Banking, Online Banking, Mobile Banking, Remote Deposit Capture, Electronic Check Transactions, and Point of Sale (POS) Transactions. Disclosure information applicable to all electronic services offered by us is given below, with certain specific disclosure information for each service following in separate sections. You understand that the agreements, terms, conditions, rules, and regulations applicable to my checking account, Share (Savings) Account, Personal Line of Credit, and any other applicable accounts, remain in full force and effect and continue to be applicable, except as specifically modified by this Disclosure and Agreement

You understand that the services referenced in this disclosure can be revoked if you are not a member in good standing. To be a member in good standing you must 1) meet Credit Union membership requirements, 2) be at least of sufficient age to enter into a binding contract (18 in most states), 3) be a member with an open and active account, 4) not have any loans with the Credit Union that are delinquent 60 days or longer, and 5) not have had a past or present loan or account with the Credit Union that cause the Credit Union to suffer a dollar loss.

### **TEXT MESSAGES, CALLS AND/OR EMAILS TO YOU**

By providing us with a telephone number (including a wireless/cellular, mobile telephone number and/or email address), you consent to receiving calls from us and our service providers at that number INCLUDING THOSE MADE BY USE OF AN AUTOMATIC TELEPHONE DIALING SYSTEM ("ATDS"), and/or emails from us for our everyday business purposes (including to keep you informed, to collect any amounts owed to us, identity verification, and to provide fraud, security breach, or identity theft alerts). You acknowledge and agree that such telephone calls include, but are not limited to, live telephone calls, prerecorded or artificial voice message calls, text messages, and calls made by an ATDS from us or our affiliates and agents. You understand that you are not required to provide consent to receive telephone calls or text messages via ATDS or prerecorded or artificial voice message calls as and you may change the telephone number provided or withdraw your consent at any time by contacting us at 800-290-1112.

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

## **PART 1 ELECTRONIC FUND TRANSFER SERVICES WE OFFER**

### **1. Mastercard® Debit Cards**

As a condition of opening certain checking accounts, understand that a Mastercard® debit card is not a credit card and does not provide "credit" which means that you may not defer payment of debit card transactions. You can use your Mastercard® debit card as follows:

#### **Participating Network Transactions:**

- Deposit cash or checks to your savings and checking accounts
- Withdraw cash from your savings and checking accounts
- Balance inquiries on your savings and checking accounts

#### **ATM Transactions at American First Credit Union Proprietary ATMs (those owned and operated by American First Credit Union):**

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

Some of these services may not be available at all American First Credit Union ATMs. Also, ATM services may be limited on certain ATMs which we do not own (non proprietary), such as, for example, withdrawal limits. If a transaction or

service type is not available, the attempted transaction will generally be refused as an invalid transaction.

**You can use your Mastercard® debit card at participating merchants to:**

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

**Mastercard® Mastercard® 2. Online Banking and Bill Payment Service**

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

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

**3. Mobile Banking**

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

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

**4. Mobile Deposit**

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

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

**5. ACH Transactions**

With respect to internal transfers between American First Credit Union accounts ("Internal Funds Transfer Services"), expressly excluding the following transfer types,

which are governed under separate addendums or agreements: Wire Transfers, Bill Payment Transfers, and Person to Person Transfers, the following shall apply.

## **General Information**

When you access or use the Internal Funds Transfer Services function through Online Banking or Mobile Banking, you will be prompted to select the type of transfer and provide required transfer information. There are no fees for these Internal Funds Transfer Services. Transfers are generally processed immediately or on the day you scheduled the transfer to take place. Transfers scheduled in advance may be cancelled or edited prior to the transfer date.

We reserve the right to impose a frequency or dollar limit on transfers, or to refuse to make any transfer between certain accounts. We are obligated to notify you promptly if we decide to refuse to complete your transfer instruction, unless you attempt to make transfers that are prohibited under any American First Credit Union agreement governing use of the Internal Funds Transfer Services for your account or prohibited under federal or state laws. This may include limits on the number of transfers from savings and money market accounts as mandated by federal law.

## **Internal Transfers – Same Ownership**

You may transfer funds between your American First Credit Union accounts with like ownership titles or transfer funds to make a payment to eligible American First Credit Union loan accounts. You may initiate a onetime transfer or schedule a transfer or series of transfers in advance. There is currently no transfer amount limit.

You understand that you may only transfer funds into the account you establish, and you cannot receive funds from the account(s), nor will you have access to any information regarding the other Member's account, other than name and account number. The person receiving the funds will see the last 4 digits of your account number on their periodic statement and online for the transfer. You agree and accept responsibility for obtaining permission from the American First Credit Union account owner to send funds to their account using this service. Additionally, you waive your right to privacy of your member number as it is used in this service stated in this agreement because you have provided this information willingly and of your own accord to another party.

## **External Transfers:**

You agree to be bound by National Automated Clearing House Association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank. If we do not receive such, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have the amount so credited. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of payment order or credit. American First Credit Union reserves the right to revoke this service, or to stop, revoke, or otherwise refuse payment of any ACH origination transaction, at any time and within its sole discretion; if we choose to do so, we will notify you in regard to any affected transactions.

**IMPORTANT NOTE:** The first time you set up an account for external transfers, you will be asked to provide proof of ownership of your External Financial Institution (RDFI) account. The credit union will initiate an ACH verification transaction into the external account which will consist of two small deposits and a debit for the total. The credit union shall be harmless for any fees incurred against the external account as a result of these verification transactions.

We may provisionally credit your account for an ACH transfer before we receive final settlement. If we do not receive final settlement, we may reverse the provisional credit or require you to refund us the amount provisionally credited to your account, and the party originating the transfer will not be considered to have paid you.

## **PART 2 TERMS AND CONDITIONS APPLICABLE TO ALL ELECTRONIC SERVICES**

### **Our Business Days**

Our business days are Monday through Friday, except federal holidays. Our branch business hours are 9:00 a.m. to 5:00 p.m. Pacific Time, Monday through Thursday, and 10 a.m. to 6:00 p.m. on Friday. Branch hours and holiday schedules are posted on our website. Automated Teller Machines (ATMs), POS terminals, the "Money Line" Audio Response Telephone Banking System, Telephone Banking Service, and Online Banking are generally open, but not always accessible, 24 hours a day, 7 days a week. After hour call center services are available to assist 24 hours a day, 7 days a week. Online Banking may be temporarily unavailable due to Credit Union System maintenance or technical difficulties including those of the Internet service provider and Internet software.

## Disclosure of Account Information to Third Parties

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

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

## Your Right to Receive Documentation of EFT Transactions

1. **Terminal Transfers.** In most cases, you will receive a receipt at the time you make any transfer to or from your account using an ATM or when you make a purchase using a POS terminal. You should retain this receipt to compare with your statement from us. Federal law provides that for certain small dollar transactions at merchant locations, you may not receive a receipt.
2. **Periodic Statements.** You will receive a monthly statement (unless there are no transfers in a particular month), for the account(s) which you have accessed using an Electronic Check Transaction, the ATMs, POS terminals, "MoneyLine" Audio Response System, Online Banking, Mobile Banking, or Remote Deposit Capture, which will show the calendar date that you initiated the transfer, the type of transfer and the type of account(s) accessed by the transfer, and the amount of transfers occurring in that statement period. You will get a statement at least quarterly.
3. **Preauthorized Deposits.** If you have arranged to have preauthorized electronic deposits of your net paycheck, payroll deductions, pension checks or federal recurring payments (e.g., Social Security payments) made to your account at least once every sixty (60) days from the same person or company, you will receive a monthly periodic statement for each month in which a preauthorized deposit is made, but at least quarterly if no preauthorized deposits are made. However, if the only electronic service you have with us is preauthorized deposits, then we reserve the right to send you a quarterly statement only.
4. **Online Banking Transactions.** You may print a record of transactions or view individual transactions at any time after the transaction is completed. You may also subsequently contact us to request a paper receipt for any such transaction provided it is no more than three (3) months old. A fee may be charged for such paper copy, subject to our Schedule of Fees & Services.

## Personal Identification Numbers (PIN)

You understand that you cannot use your Mastercard® debit card, ATM card, Online Banking and certain other electronic services we offer without an applicable identification number (including but not limited to, a username and/or password), which



we collectively refer to as a PIN, and/or biometric authentication, such as your fingerprints or FaceID. You are responsible for the safekeeping of your PINs. If you forget your PIN, you may contact us and we will issue a Replacement PIN or assist in resetting your PIN. When you use your PIN, you authorize us to withdraw funds from your account to cover such transactions. Your PINs are confidential and should not be disclosed to third parties or recorded. You agree to notify us immediately and send written confirmation if your PINs are disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your account(s) if any unauthorized person gets access to the PIN. You acknowledge that if you give anyone access to your account (such as, for example, providing any person with your Debit card, ATM card, card PIN, or Online and Mobile Banking password, or granting any person power to act as your agent under a power of attorney or trustee for a trust account), you understand that any transaction completed by such person shall be considered authorized by you even if that person exceeds your authority. . An account number can be used by thieves to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. If you authorize anyone to use your PIN in any manner that authority will be considered unlimited until you specifically revoke such authority by notifying the Credit Union and changing your PIN immediately.

Your account number can also be used to electronically remove money from your account. If you provide your account number in response to a telephone solicitation for the purpose of making a transfer (to purchase a service or merchandise, for example), payment can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

### **Your Liability for Unauthorized Transactions and Advisability of Prompt Reporting**

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



If your periodic statement reflects EFTs that you did not make, including those made by debit card, PIN or other means, you must tell us at once. If you do NOT tell us within sixty (60) days after the statement was mailed or delivered to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. Claims of unauthorized transactions can be made only in connection with posted and settled transactions. You agree to reasonably cooperate with our investigation into any claims of unauthorized transactions, including but not limited to, providing us with all requested information supporting your claim. If you do NOT tell us within sixty (60) days after the statement was mailed to you, we may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

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

### **Special Provisions for Mastercard® Debit Card Transactions (Zero Liability Protection)**

If you are using a consumer debit card, you are not liable for any unauthorized transactions made using your Mastercard® debit card provided you:

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

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

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

If you believe your checks, debit card and/or PIN have been lost or stolen or that someone will or may use it to transfer money from your account(s) without your permission, you must telephone us at: (800) 290-1112, or report it to us by utilizing “Contact Us” on the credit union website ([amerfirst.org](http://amerfirst.org)), or use the option “Manage Card” in Online or Mobile Banking to report lost or stolen card(s). You should also call the number listed above if you believe a transfer has been made using the information from your check without your permission.

### **In Case of Errors or Questions about your Electronic Funds Transfers**

If you think your periodic statement is wrong, or if you need more information about a transaction listed telephone us at 800.290.1112; write us at American First Credit Union, PO Box 2477, Brea, CA 92822-2477; or email us at [contactus@amerfirst.org](mailto:contactus@amerfirst.org) as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. We must hear from

you no later than sixty (60) days after we made the FIRST statement on which the problem or error appeared available to you. You must:

- Tell us your name and account number (do not email your account number);
- Describe the error or the transaction you are unsure about and explain, as clearly as you can, why you believe it is an error or why you need more information; and
- Tell us the dollar amount of the suspected error.

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

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

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

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

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

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. If we provisionally credited your account, we will reverse the provisional credit and notify you of the date we reversed the credit and the amount of the debit. We

will honor checks, drafts or similar instruments payable to third parties and preauthorized transfers from your account for five (5) business days after the notification. We are required to honor only items that we would have paid if the provisionally credited funds had not been debited. You may ask for copies of the documents that we used in our investigation.

### **Our Liability for Failure to Make or Complete Electronic Fund Transfers**

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

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

There may be other exceptions not specifically mentioned above.

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

### **Fees for Electronic Fund Transfers**

Fees for all EFT services are disclosed in our Schedule of Fees & Services, which accompanies this Agreement and is incorporated herein by reference. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in our Schedule of Fees & Services for each stop payment order you give. If you request a copy of documentation relating to an ATM or POS transaction (except if the documentation is for resolution of a billing error), a fee equal to our reasonable cost of reproduction may be charged. Any fees charged will be deducted from your checking or savings account. The Credit Union reserves the right to increase or add new fees at a future date after we give you notice of such fees as required by law.

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

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

### **Electronic Fund Transfer Limitations**

You may make an unlimited number of withdrawals from, or transfers among, your savings accounts by mail, messenger, or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your savings accounts through MoneyLine if you request that we send you a check.

### **Cancellation/Termination of Electronic Services**

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

We reserve the right to terminate or suspend your access to electronic services, in whole or in part, at any time and for any reason. Electronic services may be suspended, without advance notice, if there are insufficient funds in any one of your accounts or if you are deemed to be a member not in good standing as defined in our Member Conduct and Limitation of Services Policy. After suspension, electronic services may be reinstated, at our discretion, once there are sufficient funds in your accounts to cover any fees and other transfers and debits.

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

### **Notice and Communications**

Except as otherwise provided in this Agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we make such notices available to you through Online Banking if you have agreed to receive notices from us in an electronic format. You are required to keep us informed of your current address and email address. You agree to notify us promptly of any change of address or email address. If you change your address, you may notify us in person at our office, via Online Banking or by sending a written and signed notice to: American First Credit Union, PO Box 2477, Brea, CA 92822-2477. If you change your email address, you must update your email address in Online Banking.

### **Services not Covered by this Agreement**

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

### **Illegal Activities**

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



in this paragraph is approved and processed, you will still be responsible for such charges.

### **Waiver**

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

### **Changes to this Agreement**

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

### **Assignment of Agreement**

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

### **Collections**

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

### **Severability**

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

### **Rules Governing Your Account**

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

### **Your Agreement to Indemnify Us**

You agree to indemnify, defend, and hold us harmless from and against any and all claims, demands, actions, costs, losses, liability, expenses and fees (including, without limitation reasonable attorneys' fees, collection costs, skip- tracing fees, and outside



services fees) which we incur by acting in accordance with this Agreement or as a result of your failure to abide by its terms.

**LIMITATION OF OUR LIABILITY**

YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT OR ANY ELECTRONIC SERVICE PROVIDED TO YOU, REGARDLESS OF WHETHER YOU HAVE ADVISED US OF THE POSSIBILITY THAT YOU MAY INCUR SUCH DAMAGES.

**DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY**

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

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

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

## **PART 3 MASTERCARD® DEBIT CARDS**

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

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

### **Account Access**

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

### **Ownership of the Card**

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

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

- Any of your accounts are overdrawn;
- You use your Card in a manner which may cause a loss to us;
- Your checking account is inactive if you maintain a balance of less than \$250 in your checking account and you have not made a withdrawal from, deposit to, or transfer involving the account in more than **sixty (60) days**. You understand and agree that inactive checking account(s) that fall into this category will be closed by us, and we will transfer the entire checking account balance into a Regular Savings Account which is subject to all terms and conditions applicable to Regular Savings Accounts; including minimum balance requirements to (a) avoid monthly service fees, and to (b) obtain disclosure Annual Percentage Yield (APY). Refer to our Truth in Savings Disclosure for Share Savings Accounts, and current Schedule of Fees & Services for details; If you do not have a share account a check will be mailed to your last known address.
- Any mail sent to your address is returned to us as undeliverable;

- Any email sent to you by us is returned as undeliverable;
- We are aware that you have violated any term of this Agreement, whether or not we suffer a loss; or
- Where necessary to maintain or restore the security of your account(s) or the POS system.

We also reserve the right to recall the Card through retrieval by any of the ATMs. You may cancel your Card at any time by calling us at (800) 290-1112.

### **Deposits Made at an ATM**

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

### **Limitations on Frequency and Dollar Amount of Transactions**

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

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

The following limits apply:

1. **ATM Transactions.** Provided you have sufficient available funds in your account, you may use your Card at an ATM up to a maximum of ten (10) transactions, or to withdraw up to a maximum of \$1,000.00 in cash, including any applicable fees/surcharges, whichever comes first, each twenty-four (24) hour period.

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

2. **POS Transactions -Limitations on Frequency and Dollar Amounts of Transactions.** You may make cash advances and purchases only to the extent that you have available funds in your checking account plus available funds in your designated overdraft sources. Purchase transactions with a debit card are limited to a maximum of twenty (20) PIN-based POS transactions, or to obtain cash advances and make purchases up to a maximum amount of \$5,000 each calendar day. The daily limit with an ATM or Debit card on ATM cash withdrawals

is \$1,000. Some ATMs or retailers may place a restriction on their cash limits. Purchase transactions with a Debit Gold card are limited to \$7,500 each calendar day and \$1,500 ATM cash transactions. Certain merchants may require a signature or PIN with Contactless Card based transactions. For security reasons, there is a limit of twenty (20) signature transactions each calendar day.

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

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

### **Authorization Holds for Mastercard® Debit Card Transactions**

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

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

For more information regarding how debit card authorization holds impact your available account balance, contact us at (800) 290-1112.

### **Overdrafts**

We generally will not authorize an ATM transaction or a one-time debit card transaction if your available balance is insufficient to pay for the transaction, and we will not charge an NSF Fee, unless you have opted in to Debit Card Overdraft Privilege. We do, however, automatically link your card to an overdraft protection source at account opening, including, but not limited to, a savings account or Mastercard® credit card, to fund any overdrafts on your checking account. You may opt out or change the overdraft protection source by submitting a written request to American First Credit Union P.O.

Box 2477, Brea, CA 92822-2477 We reserve the right to expand or restrict the types of accounts that may be linked to your Card. Refer to the section entitled Liability for Overdrafts in the Deposit Account Agreement and Truth-in-Savings Disclosure.

Overdraft Privilege – Refer to the Overdraft Privilege disclosure provided to you at the time your checking account is established, or contact us in writing at P.O. Box 2477 Brea, CA 92822-2477, by telephone at 800.290.1112, or by emailing us at [contactus@amerfirst.org](mailto:contactus@amerfirst.org)

### **Our Right to Refuse Card Transactions**

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

### **ATM Safety**

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

Avoid ATMs that are obstructed from view or unlit at night; observe the area for anything unusual or suspicious; when possible, bring a companion along especially at night; lock your vehicle when you leave it; have your Card in your hand as you approach the machine; avoid reaching in your wallet or purse in front of the machine; avoid counting your cash at the machine; lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up machine. Prevent others from seeing you enter your PIN, and do not accept assistance from anyone you do not know when using an ATM. If you feel unsafe for any reason, you should leave the area immediately. If someone follows you after using the ATM, you should quickly go to a safe area that is well populated and well lit. You should report any incident to the police as soon as possible.

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

### **Returns and Adjustments**

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

### **Foreign Transactions (Mastercard® Debit Card)**

Purchases, cash advances and credits processed outside of the United States or in a foreign currency will be billed to your account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with Mastercard®'s operating regulations for

international transactions. In the event that an international transaction is converted to U.S. dollars, the exchange rate between the transaction currency and the billing currency used for processing international transactions will be: (1) a rate selected by Mastercard® from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard® itself receives; or (2) the government-mandated rate in effect for the applicable central processing date. The processing date on which the exchange rate is applied may differ from the date you used your Card. When a credit to the account does not fully offset a charge to the account due to changes in the rate, you are responsible for the difference.

We charge a Foreign Transaction Fee of 2% for international transactions that will be added to the amount of your purchase, cash advance or credit, regardless of whether the international transaction requires a currency conversion.

### **Card Claims and Transaction Questions**

When you authorize other parties to debit your checking account, you are responsible for these transactions. This means that you will have to contact these parties directly if you have questions or complaints about your transactions.

### **Your Rights If You are Dissatisfied with Your Credit Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your credit card and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase. To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at:

American First Credit Union, P.O. Box 2477, Brea, CA 92822-2477.

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

### **PIN-less Mastercard® Debit Card Transactions**

We allow non-Mastercard® debit transaction processing. This means you may use your Card on a PIN-Debit Network (a non-Mastercard® network) without using a PIN to



authenticate your transactions. Mastercard® Operating Rules and Regulations generally define a PIN-Debit Network as a non-Mastercard® debit network that typically authenticates transactions by use of a personal identification number (PIN), but that is not generally known for having a card program.

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

Examples of PIN-less debit transactions include initiating a payment directly with a biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of your PIN.

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

## **PART 4 PREAUTHORIZED TRANSFERS**

### **Account Access**

Preauthorized payments may be made from your checking account.

### **Initial Authorization**

You can get copies of the preauthorized payment documentation from the third party being paid at the time you give them the initial authorization.

**Notice of Varying Amounts.** If your preauthorized payment may vary in amount, the party who will receive the payment is required to tell you ten (10) days before such payment when it will be made and how much it will be. You may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

### **Right to Stop Preauthorized Payment**

If you want to stop any of the preauthorized payments or revoke a preauthorized payment authorization, you must call us at: 800.290.1112 or write us at PO Box 2477, Brea, CA 92822-2477 in time for us to receive your stop request no less than three (3) business days or more before the next payment is scheduled to be made. If you call, we may also require you to put confirmation of your request in writing at the above address and get it to us within fourteen (14) days after you call. An oral request ceases to be binding after fourteen (14) days if you have not provided us with your required written confirmation of your request. We will charge you for each stop payment or revocation request you give pursuant to our current Schedule of Fees & Services. If you have given us a request to revoke this entire preauthorized payment authorization, you understand and agree that you must also promptly contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide us with a copy of your written revocation notice to the third party.

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

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

### **Our Liability for Failure to Stop Payment**

If you order us to stop one of your preauthorized payments no less than 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, to the extent provided by law.

### **Liability for Unauthorized Electronic Payments**

You may be liable for unauthorized transfers made from your account by a third party. If you believe such transfer has occurred, you must follow the procedures outlined in the “How to Notify the Credit Union in the Event of an Unauthorized Transaction” section.

### **Fees**

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

## **PART 5 PREAUTHORIZED DEPOSITS**

s. If you have arranged with a third party (for example, the Social Security Administration) to make preauthorized deposits to your account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify you every time the party sends us money to deposit to your account. If you have not made such an arrangement, you may telephone us at 800.290.1112 and we will advise you

whether or not the preauthorized deposit has been made. Preauthorized deposits may only be made to your savings or checking account(s).

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

Direct Deposit maybe credited up to 2 business days prior to the designated payment date if provided by the payer.

### **Documentation of Preauthorized Deposits**

Generally, you will receive a monthly account statement for each month in which a preauthorized deposit is made, but at least quarterly if no preauthorized deposits are made. However, if the only electronic fund transaction service you have with us is preauthorized deposits, then we reserve the right to send you a quarterly statement only.

## **PART 6 ELECTRONIC CHECK TRANSACTIONS**

If you have authorized a one-time transfer of funds from your account via ACH where you have provided a paper check or check information to a merchant or other payee in person or by telephone to capture the routing, account, and serial numbers to electronically initiate the transfer (an “Electronic Check Transaction”), the following applies to you:

Types of Available Transactions. You may authorize a merchant or other payee to make a one-time Electronic Check Transaction from your checking account using information from your check to (1) pay for purchases or (2) pay bills. You may also authorize a merchant or other payee to debit your checking account for returned check fees or returned debit entry fees.

You may make such a payment via ACH where you have provided a paper check to enable the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; whether the check is retained by the consumer, the merchant, other payee, or the payee’s financial institution; or you have provided the merchant or payee with the routing, account, and serial numbers by telephone to make a payment or a purchase.

Account Access- Electronic Check Transactions may be made from your checking account only.

Limitations on Dollar Amounts of Transactions- You may make Electronic Check Transactions only to the extent that you have available clear funds in your checking accounts plus available funds in your designated overdraft sources and Overdraft Privilege, if applicable

Remotely Created Checks- If the Electronic Check Transaction involves a remotely created check, we reserve the right to accept or reject the item for deposit into any of your accounts. If you deposit a remotely-created check into any of your accounts, you represent and warrant to us that you have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely created check, which you have deposited into your account, is returned by the drawee-payor bank for any reason, you agree that we may debit your account for the item, plus any applicable fees. If the debit causes your account to be overdrawn, you agree to pay the overdrawn amount on our demand. For purposes of this Agreement, the term “remotely-created check” means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

## **PART 7 ONLINE BANKING**

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

### **Acceptance of Online Banking Terms and Conditions**

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

### **Other Agreements**

In addition to this Agreement, in connection with your use of the Services, you may be subject to, and/or required to agree to, account agreements, guidelines, rules, schedules, disclosures, disclaimers and other terms that we may post in Online Banking or otherwise provide or make available to you from time to time. Furthermore, if you use certain features, products or services available on or through the Services, you will be subject to and/or required to agree to, separate end user agreements governing or

relating to such features, products or services. All such account agreements, guidelines, rules, disclosures, disclaimers, user agreements or similar agreements, and other terms and conditions (collectively, "Additional Agreements"), are hereby incorporated by reference into this Agreement. Additional Agreements shall include, without limitation, agreements, rules or other terms governing any checking, savings, or other deposit accounts, loan, line of credit and credit card accounts, and any other accounts that you may view, modify or otherwise access while using the Services; fee schedules; and your signature card. When you access accounts online, or initiate transactions and/ or requests using Online Banking, this does not change the agreements you already have with us on those accounts.

If the terms and conditions of this Agreement conflict with the terms and conditions contained in any Additional Agreement, the terms and conditions of the specific Service will govern as to that particular Service unless expressly stated herein. Notwithstanding anything to the contrary, the terms and conditions of this Agreement are not intended to modify any disclosures or other terms that are required by law and that are provided by us in an Additional Agreement.

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

### **Types of Available Transactions**

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

- Make balance inquiries
- View and/or download account history as available
- Transfer funds among and between your accounts with us
- Transfer funds from your accounts to another Credit Union member's account with us
- Transfer funds to/from your accounts at other financial institutions, if you are eligible for and participate in the account to account (A2A) electronic transfer service

Transfer funds to/from a non-member's account with another financial institution if you are eligible for and participate in the person-to-person (P2P) electronic transfer service. To protect your accounts, we've set limits on how much money you can transfer.

- Next Day

|                   |           |
|-------------------|-----------|
| • Remaining today | • \$1,000 |
| • Daily           | • \$1,000 |
| • Per Transfer    | • \$1,000 |
| • Weekly          | • \$1,000 |

- Make withdrawals from your savings account(s) (except from IRAs or Certificate Accounts) or checking account(s) made by Credit Union check issued in the name of the member appearing first on the Account Signature Card and mailed to your address of record
- Make loan payments by transferring funds from your share, checking, or Money Market accounts at the Credit Union or designated Shared Branch.
- Utilize Bill Payment service from your designated checking account (Requires a separate Bill Payment Services Registration form)
- Open new checking or savings accounts
- Apply for loans
- Set up and manage account alerts
- Enroll in and access eStatements
- View online check images
- Perform self-service account maintenance such as re-ordering checks, requesting copies of periodic statements, placing a stop payment on checks issued by you, updating your address, email address and telephone number(s).
- Activate or report a debit card lost or stolen

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

**ADDITIONAL DISCLOSURES APPLICABLE TO “MONEYLINE” AUDIO RESPONSE ELECTRONIC TELEPHONE BANKING** “MoneyLine” Audio Response Electronic Telephone Banking is a telephone banking service which will allow you to perform monetary transactions and account balance inquiries without assistance from our staff. You will actually “talk” directly with our computer. Before you can use “MoneyLine” Audio Response Electronic Telephone Banking, you must obtain an Audio Response Electronic Telephone Banking System Personal Identification Number (PIN).

Types of Available Transactions. You may use your identification number (“MoneyLine” Audio Response PIN) to:



1. Make transfers between your accounts;
2. Make inquiries regarding account balances and loan payment data;
3. Obtain dividend date and amount;
4. Obtain information as to clearance concerning specific checks;
5. Make transfers to make loan payments;
6. Make withdrawals from your share account(s) (except from IRAs or from certificate accounts) or checking account(s) by Credit Union check issued in the name of the member appearing first on the Account Signature Card mailed to your address of record;
7. We may offer additional services in the future and, if so, you will be notified of them.

#### **Limitations on Frequency and Dollar Amount of Transactions - MoneyLine**

- Account withdrawals by check through our “MoneyLine” Audio Response System are limited to \$5,000 during any 24-hour period. You may transfer up to \$10,000 between accounts during any 24-hour period.
- For security reasons, in the event your Audio Response PIN is lost or stolen, there may be restrictions on transactions you can make on the Audio Response System. “MoneyLine” Audio Response Personal.

#### **Identification Number (PIN)**

You understand that you cannot use the “MoneyLine” Audio Response System without an identification number, which we refer to as a “MoneyLine” Audio Response PIN, and that you will select your PIN at our office or you will receive our Audio Response PIN by separate mail or by telephone. You are responsible for the safekeeping of your “MoneyLine” Audio Response PIN provided by us and for all transactions made by use of the “MoneyLine” Audio Response System. You will notify us immediately and send written confirmation if your “MoneyLine” Audio Response PIN is disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your Account if anyone not authorized by you has access to the PIN. If you disclose your “MoneyLine” Audio Response PIN to anyone, however, you understand that you have given them access to all associated accounts via the “MoneyLine” Audio Response System and that you are responsible for any such transactions. You further understand that your “MoneyLine” Audio Response PIN is not transferable, and you will not disclose the “MoneyLine” Audio Response PIN or permit any unauthorized use thereof.

#### **Personal Identification Number (PIN) Protection**

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

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

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

Your PINs are established for security purposes. You understand that you cannot use the Services without a PIN. **YOU AGREE THAT USE OF YOUR PIN CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION. Your PIN acts as your signature.** All transactions entered into using the Services that would otherwise require your actual signature, or other authorization, will be valid and effective as if actually signed by you when accomplished by use of your PIN or as otherwise authorized under this Agreement.

### **Minimum System Requirements**

In order to conduct transactions through the Service with us, you must download the American First Mobile app on to one of the supported devices. In order to conduct transactions through the Service with us you must download the American First Mobile app from the App Store or Google Play stores.

YOU UNDERSTAND THAT THE CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE, OR INTERNET PROVIDER SERVICE, 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 PROVIDER, ANY RELATED SOFTWARE, OR YOUR USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF ANY HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

Further, you are responsible for obtaining and maintaining Internet services from the Internet service provider of your choice, which includes responsibility for any fees and costs imposed by such Internet service provider or related service providers. These responsibilities include, without limitation, your utilizing up to date web-browsers/mobile

phone operating systems, Access Devices and best commercially available encryption, antivirus, anti-spyware, and Internet security software. You acknowledge that there are certain risks associated with using open networks such as the Internet including security, corruption, transmission error, and access availability risks and you hereby expressly assume such risks. You acknowledge that you are responsible for the data security of the Equipment and Access Devices used to access the Services, and for the transmission and receipt of information using such Equipment. We are not responsible for any errors or problems that arise from the malfunction or failure of the Internet or your Equipment and/or Access Device nor are we responsible for notifying you of any upgrades, fixes or enhancements or for providing technical or other support for your Equipment and/or Access Device. You understand that your use of an Access Device is susceptible to viruses and other security threats. You are solely responsible for making sure your Access Devices and Equipment are protected from and free of viruses, worms, Trojan horses, or other harmful, destructive elements which could result in damage to your Access Device, Equipment, programs, files, computers, phones, tablets, or could result in interception of information by a third party. WE WILL NOT BE RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES THAT MAY RESULT FROM ANY DAMAGE CAUSED BY OR RELATED TO YOUR EQUIPMENT, HARDWARE OR SOFTWARE COMPONENTS, INTERNET SERVICES OR THE INTERCEPTION BY A THIRD PARTY OF ANY PERSONAL INFORMATION AND/OR SENSITIVE INFORMATION ACCESSED VIA ONLINE BANKING.

### **Eligibility**

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

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

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

If you voluntarily subscribe to a third-party account aggregation service where your selected American First Credit Union deposit and/or loan account(s) as well as your accounts at other financial/investment institutions may be accessed on a website, you may be required to give your American First Credit Union PINs to the aggregate service provider. You understand that by doing so, you are providing the aggregate service provider access to your American First Credit Union accounts.

### **Biometric Authentication**

To enable biometric authentication (TouchID and Face ID) to login to your account, you are required to remember your username on the access device. Once enabled, you understand and agree that any TouchID /Face ID stored on the access device can be used to access your accounts in Mobile Banking. Family and friends that may know your passcode could access your device and access your accounts. It is your responsibility to keep the passcode to your device secure to prevent unauthorized access to your accounts. We do not control the functionality of Face ID. There may be circumstances where Face ID will not function as expected and we may ask you to log in using your password.

### **Preventing Misuse of your Account**

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

### **Joint Accounts**

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

## **Services Fees**

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

Limitations on Frequency and Dollar Amount of Transactions Fund transfers by and between your accounts at the Credit Union are not limited in terms of minimum or maximum dollar amounts per transaction except as provided for in this Agreement. All loan advances are limited to the amount of credit available from your personal Line of Credit account, credit card line or HELOC line.

## **SECTION 1 ELECTRONIC TRANSFER SERVICES**

### **Authorization**

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

### **Types of Transfers: One-time and Recurring**

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

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

### **Internal Transfers**

Internal transfers are those transfers between linked and eligible accounts held at American First Credit Union ("Internal Transfers"). Internal Transfers are limited by dollar amount. The minimum transfer amount is \$0.01 and the maximum transfer amount is \$999,999.00, with a maximum per day limit of \$999,999.00. Subject to the

maximum per day limit of \$999,999.00, there are no limits on the number of Internal Transfers you may make per day unless otherwise noted in Part 2 Terms and Conditions Applicable to All Electronic Services. We may from time to time for security and risk management reasons modify the limit, the frequency and the dollar amount of transfers you can make using Internal Transfers.

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

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

### **External Transfers**

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

- Transfers from your American First Credit Union account to your account at another financial institution.
- Transfers from your account at another financial institution to your American First Credit Union account.

Person to Person (P2P) external transfers are those transfers between your American First Credit Union accounts and non-members at other financial institutions.

- Transfers from your American First Credit Union account to a non-member at another financial institution.
- Transfers from a non-member at another financial institution to your American First Credit Union account.

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

Account Validation for External Accounts. You authorize us to validate any external account in a manner selected by us, including through the use of test deposits. If we choose to utilize test deposits to verify the external account, two low value deposits will



be transferred into and debited out of your designated external account. Once the test deposits are complete, we may ask you to access your external account at the other financial institution to tell us the amount of the two test deposits or any additional information reported by your financial institution with these test deposits. We may also verify external accounts by requiring you to submit proof of ownership of such external account. Your failure to provide proof of ownership may result in indefinite suspension of your use of electronic transfers.

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

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

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

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

institution or provider besides American First Credit Union; and (5) any funds transfer limitations set by the financial institution or other providers of the external accounts.

Not all types of accounts are eligible for funds transfer. Available for all share account and consumer loans, not available for business accounts. Share certificates, IRAs, and Commercial Real Estate loans are not eligible, We reserve the right to decline the use of any external account that we believe may present a risk to us. We are not responsible for any costs or losses incurred from fund transfers that are not permitted under such restrictions by the financial institution or other provider of your external account or those imposed by applicable law.

**External Transfer Processing and Limitations.** External Transfers will only be processed on business days. Cut-off time for standard delivery transfers; is 11:00 p.m. Pacific Time. Cut-off time for next-day transfer is 5:00 p.m. Pacific time. External Transfers requested after 5:00 p.m. PST on a business day or on a non-business day will be considered received on the following business day. When establishing a transfer, External Transfers will display the earliest estimated Send Date available.

**Sufficient Funds.** For External Transfers, you must have sufficient available funds in the designated account. On the Send Date for us to properly process your transfer instructions. Amounts subject to hold pursuant to our hold policy, amounts pledged as collateral, and other funds subject to restrictions on withdrawal are excluded from the available balance in an account.

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

### **Frequency**

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

### **Dollar Limits**

External Transfers are limited by dollar amount as follows:

- Account-to-Account (A2A) Transfer limit for outbound/inbound standard delivery (including pending/scheduled transfers): \$5,000 daily / \$10,000 monthly (rolling 30-day period)
- Transfer limit for outbound/inbound next-day delivery (including pending/scheduled transfers): \$2,000 daily / \$5,000 monthly (rolling 30-day period)
- Person-to-Person (P2P) transfers:
- \$1,000 per transaction

- \$1,000 per processing day
- \$3,000 per processing week
- The amount of your limit is established at our sole discretion and will be disclosed to you at the time of your transfer. We may from time to time for security and risk management reasons modify the limit, the frequency and the dollar amount of transfers you can make using the External Transfer service. Declining Transfers we reserve the right to decline to affect any EFT, to submit funds transfer instructions or orders or to carry out change or cancellation requests. We do not guarantee all transfer requests will be processed without interruption.

Refer to the Schedule of Fees & Services for any related fees (e.g. External Account Transfer fee, Returned Item fee, and Non-Sufficient fee).

### **Right to Cancel External Transfers**

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

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

### **Timeliness**

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

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

### **Suspension/Termination and Reinstatement of the Electronic Transfer Services**

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

- Mail we send you is returned undeliverable;
- Undeliverable email address or unverifiable email address.
- Your phone number is disconnected or we are unable to reach you at the phone number(s) listed on the account;

- Any of your deposit accounts with us are overdrawn;
- We detect unusual transaction patterns based upon account and deposit history;
- We suspect unusual banking transaction(s), and possible fraud;
- The inability of the electronic transfer program to successfully debit from any of your accounts;
- The inability of the electronic transfer program to successfully collect from any of your accounts;
- Negative account activity such as Insufficient Funds (NSF);
- You attempt an electronic transfer to or from an account you do not own;
- Your failure to comply with this Agreement.

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

### **Name and Account Number Inconsistency**

You understand and agree that the NACHA Operating Rules permit the posting of an ACH entry based solely on account number. Thus, an electronic transfer made via ACH credit or debit entry may be posted to the account number provided, even if the name and account number of such entry do not match. The Credit Union at its sole discretion may return an ACH credit that is received in the name other than what is listed on your account. Receiving and using funds credited to your account that were not intended for you may result in a liability on your part, and possible account closure. You understand and agree that when entering account instructions, it is your sole responsibility to ensure that you enter such account information accurately. Further, your obligation to pay the transfer shall not be excused in the event of any inconsistency. In the event you make an error in entering account information, you understand and agree to hold American First Credit Union harmless from any fee or loss you may incur, including any fees and penalties assessed on the external account.

### **Our Liability**

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

- Your error that impacts the electronic transfer for any reason.

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

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

You agree that we shall be liable to you only for our negligent performance or non-performance of the Electronic Transfer Services provided for in this Agreement, and that our responsibility is limited to the exercise of reasonable and ordinary care. If we fail or delay in making a transfer pursuant to your instructions, or if we make a transfer in an amount less than the amount in your instructions, our liability is limited to the interest on the amount that we failed to timely transfer, calculated from the date the transfer was to be made until the date it is actually made or the day you canceled the instructions. We will pay interest to you and such payment will discharge us from liability to the other party. If we make a transfer in an amount that exceeds your instructions, our liability will be limited to a refund of the amount transferred, plus interest from the day of the transfer to the day of the payment, but not more than sixty (60) days' interest. In limited circumstances, we, at our option, attempt to cancel or amend an electronic transfer at your request, but we may not be able to cancel or amend an electronic transfer because of the ACH posting rules, funds availability, or the actions or inactions of the financial institution where the external account is located. You agree that we will have no liability to you or any third party if a cancellation or amendment is not completed for any reason, and you will indemnify us against any such claims.

## **SECTION 2 BILL PAYMENT SERVICE**

### **Eligibility**

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

### **Fees**

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

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

### **Designating a Bill Payment Account**

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

### **Important**

Any payee you wish to pay through Bill Payment must be payable in U.S. Dollars. You may not use the Bill Payment service to make payments to a federal, state, or local government or tax unit, or other categories of payees that we may establish from time to time. You must allow sufficient time for the payee to receive and process the payment before the payment due date (the date shown on your invoice or provided in your agreement with payee, not taking into account any grace period provided by payee). If you do not allow sufficient time, you will assume full responsibility for all late charges, finance charges, or other actions taken by payee.

We may amend this Agreement in the future. In the event of amendment, we shall send notice to you either by mail to your last known address or transmit such notice of the amendment over the Online Banking Service. Your use of the Bill Payment service feature following the receipt of such notice constitutes acceptance of such amendment.

### **Canceling Your Bill Payment Services**

If you do not pay a bill using the Bill Payment Service for one hundred and twenty (120) consecutive days we will conclude that you have canceled the service. If you wish to cancel the Bill Payment Service, you must notify us in writing at: American First Credit Union, P.O. Box 2477, Brea, CA 92822-2477. You will be responsible for all payment instructions made prior to cancelation and for all other applicable fees and charges. If you choose to cancel your use of the Bill Payment Service, any unprocessed bill payments will be canceled. You agree to cancel all outstanding payment orders with the payee(s) before notifying us to cancel the service.

### **Electronic Bill Payments**

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



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

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

### **Non-Sufficient Funds**

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

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

### **Merchant or Payee Limitation**

You understand that we reserve the right to refuse to pay any person or entity to which you may direct a payment, but we will notify you of any such refusal within three (3) business days following receipt of your process date. This notification is not required if

you attempt to pay tax or court-related payments, which are prohibited under this Agreement. In addition, you understand that we will not be able to execute any bill payment if the payee cannot or will not accept such payment.

### **Information Authorization**

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

### **Right to Cancel Electronic Bill Payments**

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

### **Change in Terms**

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

## **SECTION 3 MOBILE BANKING**

### **Services**

For purposes of this Agreement, “Mobile Banking” and “Mobile Banking Services” means collectively all of the financial services that we make available, and to which you have access, using a wireless device such as a cell phone, smartphone, personal digital assistant or tablet computer. To access the Mobile Banking Services, your mobile device must be Internet-enabled and connected to the Internet through your mobile communications service provider. All features and services available through our Online Banking system are not available via Mobile Banking. By accessing Mobile Banking, you agree to comply with the terms and conditions of this Agreement. We reserve the right to refuse any transaction you request through Mobile Banking. You understand and agree that Mobile Banking may not be accessible or may have limited utility over some mobile telephone networks, such as while roaming. When you register for Mobile Banking, designated accounts linked to your account through the Online Banking system will be accessible through the Mobile Banking Services.

### **Minimum Mobile Communication Device Requirements**

Mobile Banking is offered as a convenience and as a supplemental service to our

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

### **Mobile Banking Service Availability**

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

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

### **Types of Available Transactions**

You may use Mobile Banking to perform the following transactions:

- Make transfers between your accounts
- Make account inquiries
- View account histories
- Transfers from your savings or checking account to make Credit Union loan payments
- Initiate funds transfers to other financial institutions
- Initiate payments or transfers to new payees or to create new payees
- Initiate transfers to other member accounts at the Credit Union

### **Mobile Device**

You accept responsibility for making sure that you understand how to properly use your mobile device and Mobile Banking before you actually do so. You agree that you will not install software onto your mobile device that you are not familiar with or have not read the terms and conditions for that software. You agree to download mobile security

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

### **Relationship to Other Disclosures**

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

### **Ownership**

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

### **Mobile Banking Software License**

Subject to your compliance with these terms and conditions, you are hereby granted a personal, limited, non-transferable and non-exclusive license (“License”) to download, install and use the software on your mobile device within the United States and its territories. This License will be deemed revoked immediately upon (1) your termination of Mobile Banking in accordance with these terms and conditions; (2) your deletion of the software from your mobile device; or (3) our written notice to you at any time, with or without cause. If this License is revoked for any of the foregoing reasons, you agree to promptly delete the software from your mobile device.

## **Representations and Warranties**

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

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

## **Fees**

Currently, we do not charge any fees for Mobile Banking. However, we can assess fees set forth in other agreements, disclosures or fee schedules for particular banking products or accounts (such as overdraft or funds transfer fees). We reserve the right to add to or enhance the features of Mobile Banking and charge a fee in the future. If we decide to do so, we will provide you with a notice of change in terms in accordance with applicable law.

## **Lost or Stolen Mobile Device or PIN**

If you believe that your PIN, mobile device or other means to access your account has

been lost or stolen or that someone may attempt to use Mobile Banking without your consent, or has transferred money without your permission, you must notify us promptly by calling us at (800) 290-1112.

### **Termination of Mobile Banking**

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

### **Risk of Loss**

In the event of a system failure or interruption, your data may be lost or destroyed. Any transaction(s) that you initiated, were in the process of completing, or completed shortly before a system failure or interruption should be verified by you through means other than online to ensure the accuracy and completeness of such transaction(s). You assume the risk of loss of your data during any system failure or interruption and the responsibility to verify the accuracy and completeness of any transaction(s) so affected.

## **SECTION 4 MOBILE REMOTE DEPOSIT CAPTURE**

### **Mobile Deposit Service**

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

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

### **Fees**

We do not charge any fees to use the Mobile Deposit Service. However, we may assess a fee for adjustments made to your account or checks returned unpaid. Refer to our Schedule of Fees & Services for a complete list of fees and charges. In addition, your mobile service carrier or provider may impose data usage or text message charges for your use of or interaction with the Mobile Deposit Service, and you agree to be solely responsible for all such fees.



**Eligibility**

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

**Acceptance of Mobile Deposit Service Terms and Conditions**

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

**Compliance with Laws**

You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Mobile Deposit Service, as well as all laws relating to the banking transactions contemplated hereunder. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which we are a party that governs the Mobile Deposit Service. You promise to indemnify and hold us harmless from any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof. Your obligation to indemnify us will survive termination of your account with us and this Agreement.

**Unavailability of Service**

You understand and agree that the Mobile Deposit Service may at times be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Mobile Deposit Service is interrupted or is otherwise unavailable, you acknowledge that you can deposit original checks in person at a Credit Union branch, at an ATM or by U.S. mail. It is your sole responsibility to verify that items deposited using the Mobile Deposit Service have been received and accepted for deposit by us. However, we will notify you via email of items that are rejected by the next business day following rejection.

### **Eligible Items for Deposit**

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

### **Ineligible Deposits**

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

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

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

### **Deposit Limits**

We have established limits on the dollar amount you may deposit using the Mobile Deposit Service. If you attempt to initiate a deposit in excess of the dollar amount limits, we can reject your deposit. If we permit you to make a deposit in excess of the dollar amount limit, such deposit will still be subject to this Agreement, and we will not be

obligated to allow such a deposit at other times. Current total daily deposit limit is \$15,000.00.

### **Check Requirements**

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

### **Receipt of Items**

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

### **Items Returned Unpaid**

We will notify you in writing of transactions we are unable to process because of returned items. With respect to any item that you transmit to us for remote deposit that we credit to your account, in the event such item is dishonored, you authorize us to debit the amount of such item from your account, plus a Non-Sufficient Funds (NSF), if applicable as stated in our Schedule of Fees & Services.

### **Funds Availability**

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

### **Email Address**

You agree to notify us immediately if you change your email address, as this is the email address where we will send you notification of receipt of remote deposit items. You may update your email address in Online Banking.

### **Check Retention and Destruction**

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

### **Periodic Statement and Your Duty to Report Errors**

Any deposits made through the Mobile Deposit Service will be reflected on your monthly periodic statement. You understand and agree that you are required to immediately notify us by telephone at (800) 290-1112 or in writing at American First Credit Union, P.O. Box 2477, Brea, CA 92822-2477, of any suspected error relating to images transmitted using the Mobile Deposit Service by no later than sixty (60) days after the date of the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

### **Ownership and License**

You agree that we retain all ownership and proprietary rights in the Mobile Deposit Service, associated content, technology, and website(s). Your use of the Mobile Deposit

Service is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Mobile Deposit Service (i) in any anti competitive manner; (ii) for any purpose which would be contrary to our business interest; or (iii) to our actual or potential economic disadvantage in any aspect. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Mobile Deposit Service.

### **Representations and Warranties**

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

- Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check
- The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate
- Each check that you submit to us for deposit will not be resubmitted in any format to us or to any other person for payment and will not cause the same drawer's account to be debited twice
- Other than the digital image of an original check that you remotely deposit through the Mobile Deposit Service, there are no other duplicate images of the original check
- Each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- You have not knowingly failed to communicate any material information to us
- You will retain possession of each original check deposited using the Service for the required sixty (60) day retention period and neither you nor any other party will submit the original check for payment
- You will destroy the original check after the required retention period.
- You will not use the Service and/or your accounts for any illegal activity or transactions
- Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems
- Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories

### **Indemnification**

You agree to indemnify, defend and hold harmless the Credit Union and its directors, officers, employees, members and agents from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees), claims, damages, liabilities and causes of action of third parties resulting or arising from: (1)



your failure to abide by or perform any obligation imposed upon you under this Agreement; (2) your willful misconduct, fraud, criminal activity, intentional tort or negligence involving use of the Mobile Deposit Service; (3) your actions, omissions or commissions relating to the Mobile Deposit Service; and (4) any transmission or instruction, whether or not authorized, acted upon by the Credit Union in good faith. Your obligations under this paragraph will survive termination of this Agreement.

### **Termination of the Mobile Deposit Service**

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

**FUNDS TRANSFERS AGREEMENT AND NOTICE** The State of California has adopted as law Article 4A of the Uniform Commercial Code and the Board of Governors of the Federal Reserve has amended Subpart B of Regulation J. This law and regulation cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits, and some book transfers on the Credit Union's records. The law is intended to establish a comprehensive legal framework covering the duties, responsibilities, and liabilities of all parties involved in a funds transfer. This Funds Transfer Agreement (Agreement) contains several notices which we are required to provide to you and establishes other terms of agreement which will apply to all funds transfers which involve you and the Credit Union. Using the Credit Union to send or receive funds transfers shall constitute your acceptance of all of the terms and conditions contained in this Agreement. To the extent that the terms contained in this Agreement are different than those in any other agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account. 1. This Agreement applies to Funds Transfers as defined in the Article 4A of the Uniform Commercial Code (Division II of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve. 2. The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time for wire transfers will be at 11:30 a.m. P.T. on each weekday that the Credit Union is open that is not a federal holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated



as having been received on the next following business day and processed accordingly.

3. The Credit Union may charge my account for the amount of any funds transfer initiated by me or by any person authorized by me as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made.

AmericanFirstCreditUnion Rev September 2021 Page13

4. The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. We agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.

5. If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that our rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.

6. If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different from the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identifying account number you provided the Credit Union.

7. If you give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person or institution than the named bank. This means that you will be responsible for any loss or expense incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

8. The Credit Union may give you credit for Automated Clearing House (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account, and you will be liable to repay the Credit Union.

9. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

10. If the Credit Union received a funds

transfer for you or for other persons authorized to have access to your account, you agree that the Credit Union is not obligated to provide you with next day notice of the receipt of the funds transfer. The Credit Union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which the Credit Union provides. You may, of course, inquire between receipt of periodic statements, whether or not a specific funds transfer has been received. 11. The Credit Union may accept on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of California as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account. 12. If the Credit Union becomes obligated under Article 4A (Division II of the California Uniform Commercial Code) to pay interest to you, you agree that the rate of interest to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made. 13. The Credit Union may, in its sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in our designated account(s); (2) is not authenticated to the Credit Union's satisfaction or which the Credit Union reasonably believes may not be authorized by you; (3) contains incorrect, incomplete, or ambiguous information; (4) involves funds subject to a lien, hold, dispute, or legal process pending their withdrawal; or (5) involves a transfer that is prohibited under applicable law, rule, or regulation. You understand and agree that the Credit Union shall incur no liability for any loss occasioned by the Credit Union's refusal to accept any funds transfer order. 14. The Credit Union shall have the right to charge the amount of any funds transfer request to any of your accounts at the Credit Union in the event that no account is designated or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request. The Credit Union may charge a service charge for services relating to the sending or receiving of the funds transfer request. Such charge(s) are set forth in the Credit Union's Schedule of Fees & Services, which is incorporated by this reference. 15. If you initiate a funds transfer request denominated in United States dollars for transfer to a foreign country, the payment may be transferred in the currency of the beneficiary bank's country at the applicable buying rate of exchange to United States dollars. If the transfer is returned for any reason, you agree to accept the refund in United States dollars in the amount of the foreign money credit, based on the then-current buying rate of the bank converting the currency to United States dollars at the date of refund, less any charges and expenses incurred by the Credit Union. 16. Except as expressly prohibited by applicable state and federal laws and regulations, you understand and agree that the Credit Union will not be liable for any loss or liability arising from: (1) any

unauthorized transfer or interest thereon (including, but not limited to, fraudulent transfers and/or a transfer which the Credit Union failed to abide by the agreed upon security procedures) which you fail to report to the Credit Union within thirty (30) days after your receipt of notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within the Credit Union's reasonable control, including, but not limited to, the failure of other financial institutions to provide accurate or timely information; (3) the failure of other financial institutions to accept a funds transfer order; (4) your negligent or intentional action or inaction and/or breach of this Agreement; (5) any ambiguity or inaccuracy in any instruction given to the Credit Union by you or your authorized agent; or (6) any error, failure, or delay in execution of any funds transfer instruction, cancellation, or amendment caused by circumstances beyond the Credit Union's reasonable control, including, but not limited to, any computer or communication facilities malfunction. Except as otherwise provided by applicable state or federal laws or regulations, the Credit Union's liability for any negligent or intentional action or inaction in connection with any funds transfer request shall be limited to your direct loss and payment of interest. UNDER NO CIRCUMSTANCES SHALL THE CREDIT UNION BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES WHICH YOU MAY SUFFER IN CONNECTION WITH THIS AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST. 17. Subject to applicable state and federal laws and regulations, the Credit Union may amend the terms of this Agreement at any time. By thereafter using or continuing to use the Credit Union's funds transfer services, you agree to such amendments. 18. Except as otherwise expressly provided by applicable state and federal laws and regulations, this Agreement and all transactions initiated hereunder shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict of AmericanFirstCreditUnion Rev September 2021 Page14 laws doctrines of such state to the contrary.

