

**DISCLOSURE AND AGREEMENT**

In this Disclosure and Agreement, the words “I,” “me,” “my,” “us” and “our” mean the individual that applied for and/or uses any of the Mobile Deposit or Remote Deposit Capture Services (“Mobile Deposit/RDC”) or described in this Disclosure and Agreement. The words “you,” “your,” and “yours” refer to First Watch Credit Union (FWCU). My Application for use of the Remote Deposit Capture Services, your notification of approval of my application and First Watch Credit Union’s Mobile Deposit/RDC are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy relating to mobile deposit services between this Disclosure and Agreement and my Application or your approval, this Disclosure and Agreement will control.

**Account Acceptance.** The following are requirements that must be met for initial approval to use Mobile Deposit/RDC.

- Membership account must be open for a minimum of 90 days
- No delinquent loans
- At least 18 years old
- No history of excessive or repeated returned items
- I authorize First Watch Credit Union to review my history with eFunds/ChexSystems. Any derogatory result will be cause for denial for Mobile Deposit/RDC.
- Other factors may also be considered

If I meet all the criteria above, First Watch Credit Union may still remove the privilege of Mobile Deposit/RDC if they believe I am not managing my account in a responsible manner. Depositing a fraudulent check through Mobile Deposit/RDC may result in immediate and permanent loss of the privilege on all FWCU accounts where I am an owner or signer on the account.

**Use of Mobile Deposit/RDC.** Following receipt of your notification approving my use of the Mobile Deposit/RDC, I am authorized by you to remotely deposit paper checks I receive to my account with you by electronically transmitting a digital image of the paper checks to you for deposit. My use of Mobile Deposit/RDC constitutes my acceptance of the terms and conditions of this Disclosure and Agreement. I agree to comply with the hardware and software requirements set forth at Exhibit “A,” which is attached hereto and incorporated by this reference. Upon receipt of the digital image, you will review the image for acceptability. I understand and agree that receipt of an image does not occur until after you notify me of receipt of the image via the Deposit History feature. I understand that, in the event I receive a notification from you confirming receipt of an image, such notification does not mean that the image contains no errors or that you are responsible for any information I transmit to you. You are not responsible for any image that you do not receive. Following receipt of the image, you may process the image by preparing a “substitute check” or clearing the item as an image. Notwithstanding anything to the contrary, you reserve the right, within your sole and absolute discretion, to accept or reject any item for remote deposit into my Account. I understand that any amount credited to my Account for items deposited using Mobile Deposit/RDC is a provisional credit and I agree to indemnify you against any loss you suffer because of your acceptance of the remotely deposited check. In addition, I agree that I will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.

**Compliance with Law.** I agree to use the products and Service for lawful purposes and in compliance with all applicable laws, rules, and regulations. I warrant that I will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules, and regulations. I promise to indemnify and hold you harmless from any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof. This indemnity will survive termination of my Account and this Agreement.

**Check Requirements.** Any image of a check that I transmit to you must accurately and legibly provide all the information on the front and back of the check at the time presented to me by the drawer. Prior to scanning the original check, I will endorse the back of the original check. My endorsement will include my signature, my account number, and the words "For Mobile Deposit Only". The scanned image of the check transmitted to you must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

**Endorsement of Deposited Items.** Checks must be endorsed by the payee on the reverse side of the check in the space nearest the trailing edge of the check. A two-party check that is not endorsed by both parties will not be accepted for deposit. If the check is payable to me or my joint member, either of us can endorse it. If the check is payable to me and my joint member both of us must endorse the check. Third party checks will not be accepted for deposit.

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

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

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

**Unavailability of Services.** I understand and agree that Mobile Deposit/RDC 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. If the Services are unavailable, I acknowledge that I can deposit an original check at your branches or by mailing the original check to you at 1118 Pine Street Abilene, TX 79601. It is my sole responsibility to verify that items deposited using Mobile Deposit/RDC have been received and accepted for deposit by you. However, you will notify me by text, phone call, or email, of items that are rejected by the next business day following rejection.

**Business Day and Availability Disclosure.** Your business days are Monday through Friday, except holidays. Your office hours are 9:00 a.m. to 4:00 p.m., Central Standard Time, each business day.

**Funds Availability.** I understand and agree that, for purposes of deposits made using the Services, the place of deposit is Abilene, Texas. Deposits presented before 2:00 PM each business day will post on the same day. Deposits received after 2:00 PM will be posted the following business day by 4:00 PM. Regarding the availability of deposits made using Mobile Deposit/RDC, funds will be considered the same as a check deposit received at a FWCU branch location. Funds will be available as described in our Funds Availability Policy.

**Accountholder's Warranties.** I make the following warranties and representations with respect to each image of an original check I transmit to you utilizing Mobile Deposit/RDC:

1. I have physical possession of each original check deposited using Mobile Deposit/RDC and no party will submit the original check for payment.
2. I will not authorize another party to submit a check using my log in information. I understand this is cause for immediate loss of Mobile Deposit/RDC privileges and force closure of my account.
3. Each image of a check transmitted to you is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
4. The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
5. I will not deposit or otherwise indorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
6. Other than the digital image of an original check that I remotely deposit through your Services, there are no other duplicate images of the original check.
7. Where applicable, I have instituted procedures to ensure that 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.
8. I am authorized to enforce each item transmitted or am authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
9. The information I provided in my Application remains true and correct and, in the event any such information changes, I will immediately notify you of the change.
10. I have not knowingly failed to communicate any material information to you.
11. Files and images transmitted to you will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.

**Storage of Original Checks.** I must securely store each original check. I understand this means the original check(s) must be accessible after using Mobile Deposit/RDC for a period of 60 days after transmission to you. After such period expires, I will destroy the original check. I

understand and agree that I am responsible for any loss caused by my failure to secure the original checks.

**Accountholder's Indemnification Obligation.** I understand and agree that I am required to indemnify you and hold you harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from my use of MOBILE DEPOSIT/RDC and/or breach of this Disclosure and Agreement, including but not limited to, a breach of any one or more of the Accountholder's Warranties. I understand and agree that this paragraph shall survive the termination of this Agreement.

**In Case of Errors.** If I believe there has been an error with respect to any original check or image thereof transmitted to you for deposit or a breach of this Agreement, I will immediately contact you regarding such error or breach as set forth below, Monday through Friday, 9:00 AM to 4:00 PM Central:

- Telephone Number: (325) 670-2429
- Email: [memberservices@firstabilenefcu.org](mailto:memberservices@firstabilenefcu.org) or [memberservices@myfwcu.org](mailto:memberservices@myfwcu.org)

**Limitation of Liability.** I understand and agree that you are not responsible for any indirect, consequential, punitive, or special damages or damages attributable to my breach of this Disclosure and Agreement.

**Warranties.** I 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 THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

**Change in Terms.** You may change the terms and charges for Mobile Deposit/RDC indicated in this Disclosure and Agreement by notifying me of such change in writing and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. My use of Mobile Deposit/RDC after receipt of notification of any change by you constitutes my acceptance of the change.

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

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

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

**Periodic Statement.** Any remote deposits made through Mobile Deposit/RDC will be reflected on my monthly account statement. I understand and agree that I am required to notify you of any error relating to images transmitted using Mobile Deposit/RDC by no later than 14 days after I receive the monthly periodic statement that includes any transaction I allege is erroneous. I am responsible for any errors that I fail to bring to your attention within such time period.

**Limitations on Frequency and Dollar Amount.** I understand and agree that I cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth by you. Mobile Deposit/RDCs are limited to \$3,500.00 per item and per day.

**Unacceptable Deposits.** I understand and agree that I am not permitted to deposit the following items using Mobile Deposit/RDC:

1. Any item drawn on my First Watch Federal Credit Union account.
2. Any item that is stamped with a "non-negotiable" watermark.
3. Any item that contains evidence of alteration to the information on the check.
4. Any item not issued in U.S. dollars or drawn on a U.S. financial institution.
5. Any item that is incomplete.
6. Any item that is "stale dated" or "post dated."
7. (7) Any third party check, i.e., any item that is made payable to another party and then endorsed to me by such party.

**Changes in Financial Circumstances.** I understand and agree that I must inform you immediately in the event a material change in my financial circumstances as or in any of the information provided in my Application including any supporting financial information.

**Confidentiality.** I acknowledge and agree that confidential data relating to your Services, marketing, strategies, business operations and business systems (collectively, "Confidential Information") may come into my possession in connection with this Disclosure and Agreement. I understand and agree that I am prohibited from disclosing and agree to maintain the confidentiality of your Confidential Information.

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

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