



## Online Banking Agreement and Disclosure

In this Online Banking Agreement and Disclosure, the words "you", "your" and "yours" mean each and every one of you who registers for or who utilizes the Online Banking service. The words "we", "us", "our", "LFCU" and "Credit Union" each mean Lockheed Federal Credit Union. "Agreement and Disclosure" means this Online Banking Agreement and Disclosure.

This Online Banking Agreement and Disclosure specifically governs the Lockheed Federal Credit Union Online Banking service (Online Banking) and contains your and our rights and responsibilities and the terms and conditions under which this service is provided. **Please read this Online Banking Agreement and Disclosure carefully and retain it for your records.**

When you Register for the LFCU Online Banking service or permit another to Register and use the LFCU Online Banking service on your behalf, you acknowledge receipt of this **Online Banking Agreement and Disclosure** and agree to be bound by all terms and conditions contained herein, all terms and conditions contained in the **Online Services E-SIGN Act Consent and Disclosure**, as well as all of the other agreements with you governing your Credit Union share accounts, loans, lines of credit, and any other product or service accessible or available through this Online Banking service. You should review those agreements and disclosures for any applicable fees, for limitations on the number of transfers you can make, and for other restrictions which might impact your use of a share account, loan, line of credit, or other product or service within the Online Banking service.

By enrolling in other services available within Online Banking, such as the e-Statement Service, MoneyMover Service, Web BillPay Service, and Remote Deposit Capture (eDeposit) Service, and/or by authorizing others to do so on your behalf, you agree to be bound by the terms of those agreements and disclosures. LFCU may amend the terms of this Agreement and Disclosure and its other agreements and disclosures from time to time without notice, except as may be required by Law. We may modify or cancel your Online Banking service or other Services available through the Online Banking service at any time without notice, at our discretion, except as may be required by Law. You agree to follow all Online Banking service instructions as reflected on your computer monitor or other system access device screen.

**CHARGES AND FEES:** There is no charge for the LFCU Online Banking service, e-Statement Service, Money Mover Service or Web BillPay Service. Specific transaction-related fees may apply to the Web BillPay Service and ZashPay services - refer to the Web BillPay Service and ZashPay Service agreements for more information. You are solely responsible for the payment of any Internet Service Provider and telephone and utility company charges incurred in connection with accessing our Online Banking service.

**SERVICES:** With LFCU's Online Banking service you can access and view your Credit Union accounts, process transactions 24 hours a day seven days a week, and:

- View account balances, history, transaction detail, and paid checks;
- Transfer funds between accounts and make loan payments;
- Obtain cash advances against your LFCU Visa credit card, ReadyLine of Credit and Home Equity Line of Credit;
- Export your account activity to Quicken / Money;
- Obtain and customize reports that identify and track your spending;
- Set up Alerts to notify you of new transactions and balance changes on your accounts;
- Receive your member account and Visa statements online electronically with our e-Statement Service (*you must specifically change your statement preferences to "Online Statements" and enroll in this service*);
- Open new Credit Union share accounts;
- Apply for a vehicle loan, Visa Credit Card, or even a Mortgage Loan or Home Equity Line of Credit;
- Transfer funds to or from your accounts at other financial institutions through our MoneyMover Service (*you must specifically enroll in this service*);
- Pay your bills with our Web BillPay Service (*you must specifically enroll in this service*);
- Upload and store documents using the eDocuments feature;
- Update your LFCU account Profile Information, such as phone number, email address, and street address,

- and change your Online Banking Username and Password; and
- Chat live with an LFCU Member Service Officer.

**e-Statement Service (You must set your Statement Preferences to Online Statements and enroll in this service via Online Banking):** You can receive your account statements, Visa statements, HELOC and ReadyLine Billing Notices, NSF Notices, and Tax Statements online electronically when you set your Statement Preferences “Online Statements” and enroll in the e-Statement Service. With the e-Statement service you can “go-green”, eliminate paper statements, and reduce risk by no longer having these paper statements and notices sitting in your U.S. mailbox. We will provide you with a separate e-Statement Service Agreement and Disclosure for this specific service.

**MoneyMover Service (You must specifically enroll in this service via Online Banking):** With the MoneyMover Service you can set up one-time or recurring funds transfers to and from your accounts at other financial institutions, to and from your LFCU accounts. A separate MoneyMover Service Agreement and Disclosure will be provided to you in connection with your enrollment in this specific service.

**Web BillPay Service (You must enroll in this service via Online Banking):** Pay your bills online with our Bill Payment Service. Bill Payments can only be made from your checking account. A separate Bill Payment Service Agreement and Disclosure will be provided to you in connection with your enrollment in this this specific service. By enrolling in the Web BillPay Service you will also have access to the **ZashPay Service** which allows you to make person-to-person payments to other parties. Restrictions apply. A separate ZashPay Service Agreement will be provided to you in connection with your enrollment in this specific service.

**Remote Deposit Capture - eDeposit Mobile and eDeposit Home (You must meet eligibility requirements for this service):** eDeposit Mobile and eDeposit Home allow you to make deposits to your checking, savings, and money market accounts from home or other remote location by scanning or photographing checks and delivering the images and associated deposit information to us. There is currently no charge for this service. The complete **Remote Deposit Capture User Agreement** is included beginning on **page 9** of this Online Banking Agreement and Disclosure.

#### DEFINITION OF OTHER TERMS:

- **ACH** means an electronic funds transfer transaction processed through the Automated Clearing House.
- **Business Day** means Monday through Friday, except Federal holidays.
- **Consumer Account** means a Share Account or Loan Account owned by one or more individuals and used for personal, family, or household purposes. Other accounts, including business and other non-natural person accounts are considered Non-Consumer Accounts.
- **Law** means Federal Law applicable to this Online Banking service, and to the extent not superseded by Federal Law, the Laws of the State of California, and the Laws of the state applicable to your Share Account, if applicable.
- **Loan Account** means an eligible personal loan, line of credit, Visa credit card, home equity loan, home equity line of credit, and residential mortgage loan. As other loan types become eligible, they will be subject to the terms of this Agreement and Disclosure.
- **Share Account** means an eligible savings, checking, money market, or certificate account owned by you.

**PRINT AND DOWNLOAD DOCUMENTS:** Online Banking service documents are provided in either HTML and/or PDF format. For those documents provided/available in PDF format, Adobe Acrobat Reader 6.0 or later versions is required - A free copy of Adobe Acrobat Reader may be obtained from the Adobe website at <http://www.adobe.com>.

To print or download documents you must have a printer connected to your computer or have sufficient hard-drive space (approximately 1 MB) on your computer to download, store and view the information. To print, click on the document HTML or PDF link, select Print, select your Printer, and click OK to print to your printer where the document can be printed on your own paper, or select Save or Save As to save and retain an electronic copy on your computer.

**HARDWARD AND SOFTWARE REQUIREMENTS:** You must have access to a computer with browser software such as Microsoft Internet Explorer; Adobe Acrobat Reader; Internet access, and an active/operating email address (at your cost). Your computer needs to support the following requirements:

- An operating system, such as:
  - Windows 98, NT, 2000, ME, XP, Vista, or Win 7; (*for added security, Windows 2000 and up is recommended*); or

- Macintosh OS 10.x
- Access to the Internet and an Internet browser which supports HTML 4.0 and 128bit SSL encryption and JavaScript, such as:
  - **For PC using Windows 98, NT, 2000, ME, XP, Vista, or Win 7**
    - Microsoft Internet Explorer 7.0 and higher
    - Firefox 3 and higher
    - Chrome 3.0 and higher
  - **For Macintosh using OS 10.x**
    - Safari 3.0 and higher
    - Firefox 3 and higher
    - Chrome 4.0 and higher

Other Internet browsers may be used, but are not supported.

By affirmatively registering for the Online Banking service, you confirm that you have access to the necessary hardware and software.

**EMAIL ADDRESS AND KEEPING YOUR INFORMATION CURRENT:** In order to communicate with regarding your Online Banking services and the related products and services you request and/or utilize, you must provide us with your valid email address. It is your responsibility to promptly notify Lockheed Federal Credit Union of any changes to your email address. You can update your email address with us by updating your Profile Information via the Online Banking Service, or by calling us at 800-328-LFCU (5238), or by submitting your change to us in writing via mail to PO Box 6759, 2340 Hollywood Way, Burbank CA 91510, or by visiting one of our branches.

**CREATION AND CONFIDENTIALITY OF YOUR USERNAME AND PASSWORD:** You are required to create a Username and Password in connection with your registration and use of the Online Banking service. You should create a complex Username and Password so that others cannot guess or figure out what they are. The Username and Password are required for security purposes in connection with the authentication of your access to the Online Banking service and the transfers and payments you initiate through the Online Banking service. Your Username and Password are confidential and should NOT be disclosed to others or recorded on documentation or records located on or around your personal computer. You are responsible for the proper safekeeping of your Username and Password. You agree not to disclose or otherwise make your Username and Password available to anyone. If you authorize anyone to use your Username and Password, that authority shall continue until you specifically revoke such authority by changing the Username and Password or by notifying the Credit Union and creating a new Username and Password. You understand that if you reveal your Username and Password to anyone, you have authorized that individual to transfer and withdraw funds from any of your accounts which can be accessed by the Username and Password, regardless of whether that person is authorized to transfer or withdraw funds from the account(s) by any means other than by use of Online Banking.

If you fail to maintain security of your Username and Password and the Credit Union suffers a loss, we reserve the right to terminate Online Banking services to you under this Agreement and Disclosure as well as your other Credit Union account and loan products and services. Users of the Online Banking service should utilize such other Username and Password protection precautions as may be appropriate under any particular set of circumstances to ensure proper security over system access and access to account and transaction information and funds transfer capabilities. Online Banking provides the capability for you to change your Username and Password at any time. To help safeguard your security, you should change your Username and Password frequently. **If you forget your Username or Password you should first utilize the “Forgot Username” and/or “Forgot Password” feature available on the Sign In webpage to assist you. Otherwise, if you forget your Username or Password or your system access is locked or disabled due to the use of an incorrect Username or Password, contact the Member Service Center Toll Free at (800) 328-LFCU (5328). We may require that you re-register to gain access to the Online Banking service.**

**eDOCUMENTS PERSONAL DOCUMENTS:** The eDocuments Personal Documents feature of Online Banking provides a central and secure location for you to upload, store, and retrieve your important documents. In addition to the ability to store and retain your Credit Union electronic statements and notices, you can save electronic copies of will and trust documents, tax filings and statements, loan documents, marriage license and birth certificates, contracts, receipts, and more.

**Allowable Document Types:** The eDocuments “Add Document” webpage lists the allowable document types that may be uploaded to your eDocuments file. Refer to the eDocuments Add Document webpage for document/file size limits and storage capacity information. We may limit the size of any individual document/file type that can be uploaded and we may limit the eDocuments file storage size/capacity without notice to you.

**Only documents and files that do not violate any state or federal law may be uploaded to eDocuments.**

You understand, acknowledge, and agree that we specifically prohibit and that you will not upload, store or disseminate any illegal, pornographic, obscene, malicious, or violent or hateful content document, image, video, or file. The Credit Union reserves the right to delete any uploaded document or file. Any document or file deemed by us, at our sole discretion, as in violation of any state or federal law, or which we consider to be illegal, pornographic, obscene, malicious, violent, hateful, indecent, or objectionable, may be immediately removed or deleted by us and may result in termination of your Online Banking service. We may report and share any document or file with any law enforcement, regulatory, or governmental agency in order to fulfill our legal obligation and/or to respond to any legal mandate, order, or regulatory requirement.

You are solely responsible for the management of all documents and files you upload and save using the eDocuments Personal Documents feature of Online Banking. If you delete any document or file, or if you or we cancel or terminate your Online Banking service, we will have no obligation to maintain, retain, provide, or otherwise make available to you any previously uploaded document or file. eDocuments Personal Documents are deleted upon cancellation or termination of your Online Banking service.

**BUSINESS AND PROCESSING DAYS:** Our business days are Monday through Friday, excluding holidays. The Business Day cut-off time is approximately 10:30 P.M. Pacific Time (PT), after which transactions will reflect an effective date of the calendar day you initiated the transaction, but a posting date of the next business day. For example, transactions initiated by you each business day before 10:30 P.M. (PT) are processed with that calendar day's date. Transactions initiated after 10:30 P.M. (PT) will reflect a posting date (transaction date) of the next business day, but will reflect the date of the calendar day on which you initiated the transaction as the effective date for purposes of dividend accrual and finance charge calculation. Similarly, transactions that you initiate on non-business days (Saturday, Sunday and Holidays) are effective dated the date the transaction was initiated by you, but will reflect a posting date of the next business day. Online Banking service may be interrupted for a short time each day for data processing. Dividends on accounts and finance charges on loans will be calculated utilizing the effective date of the transaction.

**CHECKING ACCOUNT TRANSACTION LIMITS AND RESTRICTIONS ON TRANSFERS TO OR FROM CERTIFICATE AND/OR OTHER RESTRICTED ACCOUNTS:** There are no limits on the number or dollar amount of transactions you may initiate from your LFCU checking account through Online Banking (except through the Web BillPay and ZashPay services which have separate individualized Agreements and Disclosures and are not included here), provided collected funds are available in your checking account or sufficient credit is available on your line of credit. You cannot initiate transfers using Online Banking to or from a certificate account or any restricted account. Overdraft protection (if any) is NOT automatically triggered to cover "insufficient funds" transactions. We reserve the right to limit the frequency and dollar amount of any transactions at any time for security reasons.

**TRANSACTION LIMITATIONS ON SAVINGS AND MONEY MARKET ACCOUNTS:** During any calendar month you may not make more than a total of six (6) transfers from any **Savings** or **Money Market Checking Account** to your other Credit Union accounts or to a third party by means of an Online Banking transfer, preauthorized electronic funds transfer, automatic transfer, MoneyMover Service transfer, overdraft protection transfer, telephone order or instruction, request transmitted via facsimile machine, or transfer initiated through CU By Phone (our audio response service).

These limitations **do not apply** to transactions conducted at ATMs, in person, or by mail. Also, internal transfers to make payments to your Credit Union loans and requests for withdrawals by check **made payable to you** are excluded from this limitation.

**FINANCE CHARGES ON LOAN TRANSFERS:** Each transfer made from your LFCU VISA account, ReadyLine of Credit account, Home Equity Line of Credit, or any other revolving line of credit account you may have with us, is considered a cash advance. Finance charges begin to accrue from the effective date of each loan transfer in accordance with the terms of your credit agreement(s).

**FUNDS AVAILABILITY AND ACCRUAL OF DIVIDENDS:** Funds from electronic funds transfer credits/deposits will be available on the effective date of the transfer in accordance with our "Funds Availability Policy." Dividends begin to accrue on the effective date of the transfer.

**VISA PAYMENTS AND CREDIT AVAILABILITY:** When you initiate a transfer to make a payment on your LFCU VISA Credit Card the system will update your account records, and when applicable, reflect an increase in the availability of credit. While Online Banking may immediately reflect credit availability following payment on your VISA, this information is NOT automatically transferred/updated for purchase authorizations at merchant locations.

**ACCESS BY JOINT OWNER TO INDIVIDUALLY-HELD LOANS AND LINES OF CREDIT:** If the account(s) accessible via Online Banking is a joint account and the joint account owner has been provided access to the account by applying for Online Banking or you have provided the joint account owner with your Username and Password, you understand and agree that the joint account owner will have access to funds and information on loans and lines of credit established under the joint account structure for which they may not be a joint borrower or obligor. You understand that you will be liable for any transfers or advances against your individually-held loans and lines of credit requested by any joint account owner.

**CROSS ACCOUNT TRANSFERS:** Cross account transfer capabilities are divided into two types: (1) transfers between your Credit Union accounts of which you are a legal owner, and (2) transfers to another LFCU member's Credit Union account of which you are not a legal owner (Transfers to Third Parties). You must be logged into the account from which you are transferring funds in order to initiate the transfer to the other account. You can only log on to, access account information, and transfer funds from those Credit Union accounts in which you are a legal owner. Cross account transfers from one Credit Union account to another allow you to transfer funds to any sub-account (unless otherwise restricted) established within the account structure. The Credit Union reserves the right at any time to restrict or prohibit Cross Account Transfer capabilities on specific types of accounts.

**Cross Account Transfer Type (1) - Transfers between your Credit Union accounts of which you are a legal owner:** To obtain cross account transfer capability to transfer funds from one of your Credit Union accounts to another of your Credit Union accounts and vice-versa (for example, from your account #11223344 to your account #55667788), you must complete and submit an Online Banking Account-to-Account Transfer Authorization form. You must be a legal owner on all Credit Union accounts identified. We will verify legal ownership on all accounts before cross account transfer capabilities are permitted.

**Cross Account Transfer Type (2) - Transfers to another LFCU member's account of which you are not a legal owner (Transfers to Third Parties):** To transfer funds from your Credit Union account to the Credit Union account of another LFCU member (a third party) you must complete and submit an Online Banking Account-to-Account Transfer Authorization form, which must also be signed by the legal owner of the Credit Union account to which the funds will be transferred. We will verify all signatures on the Online Banking Account-to-Account Transfer Authorization form before transfer capabilities will be granted by us. You will be permitted to transfer funds from your Credit Union account(s) to the account of another member; however, you will not have access to, or the capability to review account balances or activity, or to perform other transactions on third party account(s). Transfers of funds made by you to a third party (to another member's account) are non-revocable and cannot be reversed without the third party's written consent, even if you have made an error in the amount transferred or the account to which the funds were transferred. You are limited to a total of six transfers to your other accounts or to third parties from your savings or money market account during any calendar month (refer to "Transaction Limitations on Savings and Money Market Accounts" for further information).

**Alternate Method** - As an alternative to Cross Account Transfer Type (2) above, you can transfer funds to another Credit Union member's account by using the Move Money "Transfer Money to Another Member" feature of Online Banking. Utilizing this feature you can enter the other member's Credit Union Member Account Number and the Last Name of the primary member on that account, along with the amount to transfer and any comment you wish to add. You can only transfer funds to another Credit Union member's account. Neither you nor the other Credit Union member will see any other information regarding either account other than the posted transaction. Transfers of funds made by you to a third party (to another member's account) are non-revocable and cannot be reversed without the third party's written consent, even if you have made an error in the amount transferred or the account to which the funds were transferred. You are limited to a total of six transfers to your other accounts or to third parties from your savings or money market account during any calendar month (refer to "Transaction Limitations on Savings and Money Market Accounts" for further information).

**CREDIT UNION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS:** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses and damages. However, there are some exceptions. We will NOT be liable, for example, if: **(1)** Through no fault of ours, you do not have enough available funds in your account to make the transfer; **(2)** The transfer would exceed any permitted overdraft line you have with us; **(3)** Circumstances beyond our control (such as fire, flood, power failure, labor dispute, computer breakdown, telephone line disruption or a natural disaster) prevent or delay the transfer despite reasonable precaution taken by us; **(4)** The funds in your account are subject to legal process, an uncollected funds hold, or are otherwise not available for withdrawal; **(5)** The Username, Password, or transaction information or other information you have provided is incorrect, incomplete, ambiguous or untimely; **(6)**

The system was not working properly and you knew about the breakdown when you started the transfer; or **(7)** You are in default on an account to which you are attempting a transfer. (There may be other exceptions stated in our agreement with you.)

In addition, **the Credit Union will also have no liability whatsoever** for failure to complete a payment or transfer you initiate or attempt to initiate through Online Banking under any of the following circumstances: **(1)** If you did not properly follow software or Online Banking instructions on how to make the transfer or payment; **(2)** If you did not give the Credit Union complete, correct and current instructions or information to process your transaction request; **(3)** If you did not authorize a payment soon enough for the payment to be made, transmitted, received and credited by the payee/vendor; **(4)** If the Credit Union made a timely payment but the payee/vendor did not promptly credit your payment after receipt; **(5)** If your personal computer and/or software malfunctioned for any reason; **(6)** If the transfer or payment could not be completed due to system unavailability or a telecommunication or Internet Service Provider service failure; or **(7)** We blocked the transfer to protect the integrity or security of the system.

**YOUR RESPONSIBILITY & LIABILITY FOR UNAUTHORIZED TRANSFERS:** You are responsible for all transfers and payments you initiate and authorize using Online Banking. If you permit other persons to use Online Banking and your Username and/or Password, you are responsible for any transactions they authorize from any of your accounts. Notify us **IMMEDIATELY** if you believe that your Username and/or Password has been lost or stolen or that someone has used it or may use it to access your accounts and transfer money without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus any available credit on your line(s) of credit. **The Credit Union Toll Free number is (800) 328-LFCU (5328). Our Address is: Lockheed Federal Credit Union, 2340 Hollywood Way, P.O. Box 6999, Burbank, CA 91510.**

If you notify us within two (2) business days after learning or suspecting that your Username and/or Password was lost, stolen, or used by someone without your permission, you can lose no more than \$50.00. If you do NOT notify us within two (2) business days after you learn of the loss or theft of your Username and/or Password, and we can prove we could have stopped someone from using your Username and/or Password without your permission had you told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, tell us AT ONCE. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have prevented someone from taking the money had you told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS; CONSUMER LIABILITY:** Call us or write us **IMMEDIATELY** at the telephone number or address described in the preceding section if you think your statement is wrong (or shows transfers and transactions that you did not authorize) or if you need more information about a transfer. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. If you do not tell us within 60 days after the statement was mailed to you, you may not recover funds lost after the 60-day period if we can prove that the loss could have been prevented had you told us in time. Tell us your name and account number. **Tell us the dollar amount of the suspected error and the date it occurred. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.**

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

If you notify us verbally, we may require you to send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or question. If we decide to do this, we will provisionally 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 we ask you to put your complaint or request in writing and we do not receive it within ten (10) business days, we may not recredit your account. If we determine there was no error, we will send you written explanation within three (3) business days after we complete our investigation. You may ask for copies of the documents that we used in our investigation and which we relied upon to conclude that the error did not occur (to the extent possible without violating any other member's right to privacy).

**RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS:** Your completed Online Banking transactions will appear on your periodic account statements. You will get a monthly account statement on the electronic funds transfer activity on your accounts unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly. Be sure to review and verify all statement information thoroughly. You may also obtain information on transfers and payments by inquiry of your transactional account history using Online Banking.

**OVERDRAFT PROTECTION TRANSFER FEE FOR ITEMS PAID:** If we advance funds from your LFCU VISA Credit Card or ReadyLine of Credit or transfer funds from your savings account, to cover or pay a check, electronic debit, or other item for which there are non-sufficient or unavailable funds in your checking account, we will assess an Overdraft Protection Transfer Fee. The Overdraft Protection Transfer Fee is charged to your Checking Account when transferred from your ReadyLine of Credit or funds are transferred from your savings account. The Overdraft Transfer Fee is charged to your Visa Credit Card when funds are advanced from your Visa Credit Card line of credit. This Fee is assessed only once per day for negotiable instruments (checks and demand drafts) and once per day for electronic funds transfers (ACH transfers) per “transfer source,” regardless of the number of checks or ACH items which have been received and that are paid as a result. (For example, the Fee will be assessed once per day for one or more transfers from one or more savings or other share account, and once per day for one or more advances from your VISA Credit Card and/or once per day for one or more advances from your ReadyLine of Credit account for checks, demand drafts and ACH items only.) The Overdraft Transfer Fee for Point of Sale purchases and ATM withdrawals will be assessed per occurrence.

Please refer to our current Schedule of Service Charges and Fees for the amount of the Overdraft Protection Transfer Fee. Negotiable instruments such, as demand drafts and checks, are generally processed as received in check number order.

**ITEMS RETURNED UNPAID AND PAID ITEMS (COURTESY PAY):** If, at our option, we do not transfer funds from your savings account to cover a check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking account, or if you do not have sufficient funds in your savings account to cover the item, or if you do not have an LFCU VISA Credit Card or ReadyLine of Credit or there is not sufficient credit available on your LFCU VISA Credit Card or ReadyLine of Credit to cover the item, we will either:

(1) Not pay the check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking account even though we may have previously established a pattern of honoring such items. We are not obligated to notify you before we decide to either pay an item that creates an overdraft or to return an item or deny a transaction drawn against insufficient available funds. We will return the check, debit, or item, unpaid to the payee, and assess a Non-Sufficient Funds (NSF) Fee for each item; OR

(2) Pay the check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking Account and charge you a “Courtesy Pay” fee (this may result in an overdraft/negative balance in your checking account). When an item is paid and creates an overdraft you agree and authorize LFCU to pay the item from funds from another of your accounts or from funds subsequently deposited in the account including direct deposits of governmental benefits including but not limited to Social Security and Supplemental Security Income. Any negative balance on your account is immediately due and payable unless we agree otherwise in writing. We may place a hold on balances in any other account you may have with us until the overdraft is paid. Refer to our Schedule of Service Charges and Fees for NSF and Courtesy Pay Fee amounts. If you **do not** want LFCU to review your account for the LFCU discretionary Courtesy Pay Option, please contact us at **(800) 328-5328**.

**ACCOUNT OVERDRAFTS:** If at any time the balance in any of your LFCU accounts is overdrawn you will be responsible to cover the negative balance on your account, which becomes due and payable immediately, unless we agree otherwise in writing. Accounts overdrawn in excess of seven calendar days are subject to statutory lien (see “The Credit Union’s Statutory Lien Rights” section of the Membership and Accounts Agreement and Disclosure) collection, and/or other legal remedy.

**ACCOUNT TRANSACTION HISTORY:** Each time you inquire and download account transactional information, you will receive information for at least the last 60 calendar days. This means that you may need to download transactional information at least once every 60 days if you wish to have all of your account information on your personal computer.

**RIGHT TO STOP PAYMENT ON ELECTRONIC TRANSFERS:** A Stop Payment order cannot be placed once an Online Banking transfer has been initiated by you and accepted by the system, or a bill payment transfer has been made and your account has been debited on the scheduled payment date. If you have made a transfer in error, you must reverse the transaction by initiating a correcting transfer. (Note: Transfers cannot be corrected via Online Banking when made as transfer/payments to loan accounts. Contact the Credit Union if you require reversal of these transactions or need additional assistance.) If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. If you have told us in advance (not through the Online Banking System) to make regular payments from your account, you can stop any of these payments; Here’s how: Call us at **(800) 328-5328**. For further information on placing stop payments on bill payment transfers before payment is made, refer to the Web BillPay Service Agreement.

**EMAIL CAPABILITIES AND LIMITATIONS:** The Online Banking service includes email capabilities allowing you to send and receive electronic email messages to and from the Credit Union. The Credit Union will not immediately receive and review email messages that you send and will NOT process any request for a funds transfer received via email. Further, the Credit Union may not act upon requests for Stop Payments, requests for replacement Usernames, Passwords, PINs, reports of lost or stolen PINs or unauthorized transactions (refer to "Your Responsibility and Liability for Unauthorized Transfers" above for appropriate action), reports of lost or stolen ATM Cards, Debit Cards, VISA Credit Cards, or on any other request in which the Credit Union would normally require written notification or your authorizing signature, without first confirming the authenticity of the email request/ notification via telephone. In some instances, written confirmation reflecting your authorizing signature may still be required. The Credit Union will not take action based on your email requests until the Credit Union actually receives your message and has a reasonable opportunity to act. **If your request requires immediate attention**, contact the Credit Union directly, **Toll Free at (800) 328-LFCU (5328)**.

**DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:** We will disclose information to third parties about your account or the transfers you make: (a) Where it is necessary for completing transfers; or (b) In order to comply with government agency or court orders; or (c) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or (d) If you give us your written permission.

**SYSTEM UNAVAILABILITY:** Access to Online Banking may be unavailable at times for the following reasons: (1) Scheduled Maintenance - There will be necessary periods when systems require maintenance or upgrades; (2) Unscheduled Maintenance - Online Banking may be unavailable when unforeseen maintenance is necessary; (3) System Outages - Major unforeseen events, such as, but not limited to, earthquakes, fires, floods, computer failures, interruptions in telephone service, or electrical outages, may cause system unavailability; or, (4) Internet Service Provider - Failure by or unavailability of an Internet Service Provider. We will make all reasonable efforts to ensure the availability of Online Banking; however, we are in no way liable for system unavailability or any consequential damages that may result.

**OTHER LIMITATIONS OF LIABILITY:** You are solely responsible for the selection, installation, maintenance, and operation of your personal computer and software. The Credit Union expressly disclaims any and all liability as relates to the improper use of your personal computer and the transmission of data except as provided by statute. The Credit Union is not responsible for any errors or failures due to any malfunction of your personal computer or the software, or unsuitability of your personal computer or software, or any virus, or any problems that may be associated with the use of an on-line service.

**CHANGE IN TERMS AND NOTIFICATION:** Lockheed Federal Credit Union reserves the right to make changes to the Online Banking service and to this Agreement and Disclosure at any time. We will email or mail or otherwise deliver a written notice to you before the effective date of any change in any term or condition disclosed in this Agreement and Disclosure if the change would result in increased fees or charges, increased liabilities for you, fewer types of available services or electronic fund transfers or stricter limitations on the frequency or dollar amounts of transfers, unless prior notice is excused by Law. Otherwise, we may modify this Agreement and Disclosure at any time without notice, except as may be required by Law. As a requirement of registering in the Online Banking service, you agree that we may send any such notice to you either via the Online Banking secure message system, or via email or regular U.S. mail unless, or otherwise as required by law.

**ALL AGREEMENTS AND DISCLOSURES AND NOTICES ARE "IN WRITING":** This Online Banking Agreement and Disclosure and all agreements and disclosures and notices delivered electronically or otherwise made available to you are considered "in writing" and are available to you in a form you may keep by either printing or downloading the documents, or by requesting a paper copy from us.

**TERMINATION AND DEACTIVATION OF SERVICE:** You may terminate your Online Banking service at any time by telephoning us at (800) 328-LFCU (5328) or by providing written notice to the Credit Union and immediately discontinuing use of the service. You are solely responsible for notifying any participating merchants (when applicable) that you have terminated your Bill Payment transfer capabilities. If you do not utilize the Online Banking service (by not logging on to the service) for a three-consecutive-month period, we may deactivate your service. If this occurs and you wish to reactivate your Online Banking service, you will be required to re-register online for the Online Banking service. We reserve the right to require written reapplication before we reactivate your Online Banking service system access. The Credit Union may also terminate the Online Banking service and this Agreement and Disclosure at any time by giving you advance notification, either orally or in writing. Whether you or the Credit Union terminates your Online Banking service and this Agreement and Disclosure, the termination shall not affect your obligations under this Agreement and Disclosure for any transfers or payments made prior to termination.

**ENFORCEMENT:** You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement and Disclosure that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your Credit Union account without prior notice to you. In the event either party brings a legal action to enforce this Agreement or collect any overdrawn funds on accounts accessed under this Online Banking Agreement and Disclosure, the prevailing party shall be entitled, subject to California law, to payment by the other party of its reasonable attorneys' fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement and Disclosure be determined illegal or unenforceable in any relevant jurisdiction, then such provision may be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable, and any such modification shall not affect any other provision of this Agreement and Disclosure.

**ENTIRE AGREEMENT:** This Online Banking Agreement and Disclosure, as it may be amended from time to time, together with any other agreements, disclosures or other documents incorporated herein by reference, including but not limited to the Online Services E-SIGN Act Consent and Disclosure, the Membership and Account Agreement and Disclosure, the Schedule of Service Charges and Fees, and, when you enroll in these services, the e-Statement Service Agreement and Disclosure, MoneyMover Service Agreement and Disclosure, Web BillPay Service Agreement and Disclosure, and ZashPay Agreement, contains the entire agreement between you and the Credit Union and supersedes all oral conversations, other communications, and previous agreements, if any, with regard to the Online Banking services.

**GOVERNING LAW:** This Online Banking Agreement and Disclosure is made in California and shall be governed by the laws of the State of California to the extent that California Law is not inconsistent with controlling Federal Law. You also understand that California's "Choice of Law Rules" will not be applied if they would result in the application of non-California law.

## Remote Deposit Capture User Agreement

This Remote Deposit Capture User Agreement ("Agreement") contains the terms and conditions for the use of Lockheed Federal Credit Union's eDeposit Mobile and eDeposit Home (coming soon) and/or other remote deposit capture services that Lockheed Federal Credit Union ("LFCU", "us," or "we") may provide to you ("you," or "User"). Other agreements you have entered into with LFCU, including the Membership and Accounts Agreement and Disclosure governing your LFCU account(s), are incorporated by reference and made a part of this Agreement.

- 1. Services.** The remote deposit capture services ("Services") are designed to allow you to make deposits to your checking, savings, or money market savings accounts from home or other remote locations by scanning checks or photographing and delivering the images and associated deposit information to LFCU or LFCU's designated processor. There is currently no charge for the Services.
- 2. Acceptance of these Terms.** Your use of the Services constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via e-mail or on our website(s) by providing a link to the revised Agreement. Your continued use of the Services will indicate your acceptance of the revised Agreement. Further, LFCU reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Services. Your continued use of the Services will indicate your acceptance of any such changes to the Services.
- 3. Limitations of Service.** When using the Services, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you.
- 4. Eligible Items for Deposit.** You agree to scan and deposit only checks as that term is defined in Federal Reserve Regulation CC ("Regulation CC"). You agree that the image of the check transmitted to LFCU shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code as adopted in California.
- 5. Unacceptable Items for Deposit.** You agree that you will not use the Services to scan or photograph and deposit any unacceptable checks or items such as:

- Checks made payable to a non-account owner (made to a third party, not an owner on the LFCU account) Checks/items drawn on your Personal Account. The deposit of a personal check that is drawn on the account holder's personal checking at LFCU is PROHIBITED. Deposits of this nature will result in the immediate termination of the Services.
- Altered Checks that contains evidence of a change (correction fluid, crossed out amounts, etc.) of information to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- Substitute Checks. Checks or items previously converted to a substitute check, as defined in Regulation CC.
- Foreign Checks - A foreign check is any check that is issued to you by a financial institution in another country (Canada, France, etc.). Foreign checks require special handling and are sent for collection to the paying financial institution. Foreign checks/items may ONLY be processed by mail or at one of our branch locations. Please remit all foreign checks to:

Lockheed Federal Credit Union, Branch Support  
P.O. Box 10848  
Burbank, CA 91510

- Checks or items that are remotely created checks, as defined in Regulation CC.
- Checks or items not payable in United States currency including Canadian dollars.
- Stale Dated checks. Checks or items dated more than 6 months prior to the date of deposit.
- Non-Negotiable Items Stamped "non-negotiable" (in print or as a watermark)
- Checks that have been re-deposited or returned such as "non-sufficient funds" or "refer to maker" or other reasons.
- Incomplete checks/items
- Cash
- Savings Bonds. Savings Bonds require special handling and may ONLY be processed by mail or at one of our branch locations.
- Checks or items prohibited by LFCU's current procedures relating to the Services or which are otherwise not acceptable under the terms of your LFCU account.

Deposits of this nature will result in the immediate termination of the Service.

6. **Image Quality.** The image of an item transmitted to LFCU using the Services must be legible. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association.
7. **Endorsements and Procedures.** You agree to restrictively endorse any item transmitted through the Services as "For deposit only, LFCU account # \_\_\_\_\_" or as otherwise instructed by LFCU. You agree to follow any and all other procedures and instructions for use of the Services as LFCU may establish from time to time.
8. **Receipt of Items.** We reserve the right to reject any item transmitted through the Services, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from LFCU that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.
9. **Cutoff Time.** Deposits received by 3 p.m. Pacific Time on any business day, Monday-Friday, except for holidays will be processed on the same day received. Deposits received after 3 p.m. Pacific Time may be credited on the next business day.
10. **Availability of Funds.** You agree that items transmitted using the Services are subject to the funds availability requirements of Federal Reserve Board Regulation CC. Funds deposited using the Services will be available after LFCU receives payment for the funds submitted. LFCU may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as LFCU, in its sole discretion, deems relevant. Credit is provisional until settlement if final.
11. **Retention and Disposal of Transmitted Items.** Upon your receipt of a confirmation from LFCU that we have received the image of an item, you agree to prominently mark the item as "**Electronically Presented**" or "**VOID**" and to properly dispose of the item to ensure that it is not represented for payment. Keep the scanned item or a copy of the scanned item in a safe and secure location and destroy (shred) after sixty (60) calendar

days. You agree never to represent the item. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to LFCU as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for LFCU's audit purposes. If you are unable to provide a sufficient copy of the front and back of the item you will be liable for any unresolved claims by third parties.

- 12. Deposit Limits.** We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Services and to modify such limits from time to time. Current Deposit Limits are \$25,000 for one item or \$25,000 per day.
- 13. Hardware and Software.** In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by LFCU from time to time. See our Online Banking Agreement and Disclosure for current hardware and software specifications for Online Banking. LFCU is not responsible for any third party software you may need to use the Services. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

For eDeposit Mobile, minimum requirements are either an iPhone iOS 3.x or an Android 2.x. equipped with a camera. LFCU reserves the right to change hardware and software requirements and will notify you of any material change via e-mail or on our website(s) by providing a link to the revised requirements. Your continued use of the Service will indicate your acceptance.
- 14. eMobile Banking Application.** LFCU will provide you with the **Mobile Banking Application ("App")**. If eligible for the Services, when you use the icon for eDeposit Mobile you will receive a response whether you are eligible so that you can capture and transmit Check images (front and back) and other information to us electronically for deposit.
- 15. Errors.** You agree to notify LFCU of any suspected errors regarding items deposited through the Services right away, and in no event later than 60 days after the applicable LFCU account statement is sent. Unless you notify LFCU within 60 days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against LFCU for such alleged error.
- 16. Presentment.** The manner in which the items are cleared, presented for payment, and collected shall be in LFCU's sole discretion subject to the Membership and Accounts Agreement and Disclosure governing your account.
- 17. Ownership & License.** You agree that LFCU retains all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services 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 Services. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to LFCU's business interest, or (iii) to LFCU's actual or potential economic disadvantage in any aspect. You may use the Services only for non-business, personal use in accordance with this Agreement. 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 Services.
- 18. DISCLAIMER OF WARRANTIES.** YOU AGREE YOUR USE OF THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THESE SERVICES WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THESE SERVICES OR TECHNOLOGY WILL BE CORRECTED.
- 19. LIMITATION OF LIABILITY.** YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THESE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THESE SERVICES, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT,

TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF LFCU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

**20. User Warranties and Indemnification.** You warrant to LFCU that:

- You will only transmit eligible items.
- Images will meet the image quality standards.
- You will not transmit duplicate items.
- You will not deposit or represent the original item.
- All information you provide to LFCU is accurate and true.
- You will comply with this Agreement and all applicable rules, laws and regulations.
- You agree to indemnify and hold harmless LFCU from any loss for breach of this warranty provision.

**21. Other Terms.** You may not assign this Agreement. This Agreement is entered into in Burbank, California, and shall be governed by the laws of the State of California and of the United States. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.

**22. Definitions.**

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

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

**Check** (as defined in Article 4, California Commercial Code) means a draft, other than a documentary draft, payable on demand and drawn on a bank; a cashier's check or teller's check; or a demand draft. An instrument may be a check even though it is described on its face by another term, such as "money order."

**Item** (as defined in Article 4 of the California Commercial Code) means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a payment for ACH or wire transfers.

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

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

- Contains an image of the front and back of the original check;
- Bears a MICR line that contains all the information appearing on the MICR line of the original check at the time the original check was issued and any additional information that was encoded on the original check's MICR line before an image of the original check was captured.
- Conforms in paper stock, dimension, and otherwise with ANSI X9.100-140 and
- Is suitable for automated processing in the same manner as the original check.

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**Lockheed Federal Credit Union**

P.O. Box 6759 Burbank CA 91510  
(800) 328-5328 or (818) 565-2000  
[www.lfcu.com](http://www.lfcu.com)