

TERMS AND CONDITIONS OF SMCU MOBILE DEPOSIT

We suggest you read this document carefully and print a copy for your reference. You may refer back to it at any time by accessing the Legal Agreements tab within the Online Service.

1. General

As a subscriber to SMCU Mobile Deposit (the "Service") this Addendum ("Addendum") amends and becomes a part of the Online Service Agreement and the Account Rules and Regulations (collectively, the "Account Documentation") between San Mateo Credit Union and you. The terms of those agreements are hereby ratified, affirmed and incorporated herein and shall continue to apply in all respects, as amended hereby. By acknowledging or signing the applicable account documentation or by using or continuing to use the Service, you agree to this Addendum. In the event of a conflict between this Addendum and the Account Documentation, this Addendum will govern.

2. SMCU Mobile Deposit

a. The Service allows you to make certain deposits electronically by using a capture device to create an electronic image of a paper check or other paper source document only payable in U.S. Dollars ("Item") by scanning the Item and transmitting it and related data to us. As part of the Service you must use software and hardware provided by or acceptable to us. You are solely responsible for information or data that is transmitted, supplied or key-entered by you, your employees or agents. Before you scan any Item, you shall endorse all Items with your name and the legend "For Deposit Only"

b. You agree that after the Item has been scanned and submitted for deposit, you shall not otherwise transfer or negotiate the original Item, substitute check or any other image thereof. You further agree that you shall be solely responsible for the original Items, including storage, retrieval and destruction.

c. You agree that the electronic image of the Item or any substitute check, as defined by federal law, will become the legal representation of the Item for all purposes (except for funds availability, see section 2(e) below), including return items processing.

d. If we receive a scanned Item on or before 3:00 p.m. Pacific Standard Time on a business day we are open, we will consider that day to be the day of deposit. If we receive a scanned Item after 3:00 p.m. Pacific Standard Time or on a weekend or a state or federal holiday, we will consider that the deposit was made on the next business day.

e. Federal Reserve Board Regulation CC (availability of funds) does not apply when you transmit the electronic images of Items to us. Funds from deposits made via the Service generally will be available for withdrawal by the second business day after the day of deposit. However, we may apply additional delays on the availability of funds based on any other factors as determined by us in our sole discretion.

f. The maximum amount you may deposit on any day is \$5,000.00 and the maximum aggregate amount that you may deposit during any seven (7) day period is \$10,000.00.

g. The maximum number of items you may deposit on any day is 5 and the maximum aggregate number of items that you may deposit during any seven (7) day period is 10.

h. We may return or refuse to accept all or any part of a deposit to your Account using the Service at any time and will not be liable for doing so even if such action causes outstanding checks or other debits to your Account to be dishonored and returned.

3. Item Processing

If the electronic files and/or images transmitted to us with respect to any Item do not comply with our or our processor's requirements for content and/or format, we may, in our sole discretion:

- a. further transmit the Item and data in the form received from you;
 - b. repair or attempt to repair the Item or data and then further transmit it;
 - c. process the Item as photocopies in lieu of originals; or
 - d. return the data and Item to you unprocessed and charge back your account
- ### 4. Warranties

You represent and warrant to us that:

- a. any image we receive accurately and legibly represents all of the information on the front and back of the original Item as originally drawn;
- b. the information you transmit to us corresponding to an Item contains a record of all applicable MICR-line information required for a substitute check and the accurate amount of the Item;
- c. the Item conforms to the technical standards for an Electronic Item set forth in Federal Reserve Board Regulation J, or Federal Reserve Bank operating circulars and for a substitute check set forth in Federal Reserve Board Regulation CC;
- d. no person will receive a transfer, presentment, or return of, or otherwise be charged for, the Item (either the original Item, or a paper or electronic representation of the original Item) such that the person will be asked to make payment based on an Item that has already paid;
- e. You will not redeposit through this Service any Item previously deposited and returned to you unless we advise you otherwise;
- f. You will employ commercially reasonable security measures and firewalls sufficient to protect transmissions and storage to ensure no unauthorized access or duplicate presentment;
- g. You will only transmit Items that originated as paper Items.
- h. You will comply with all laws and regulations applicable to you in your use of the Service and not use the Service for any purpose prohibited by foreign exchange regulations, postal regulations or any other treaty, statute, regulation or authority; and
- i. You will not deposit an on behalf of third parties.

5. Disclaimer

We make no representations or warranties, whether express, implied or statutory regarding or relating to any of the software, capture devices or other hardware and/or access to or use of them or the related materials and the Service. We specifically disclaim any and all implied warranties of merchantability and fitness for a particular purpose and non-infringement. We and our subcontractors also do not guarantee that your access to the Service will be uninterrupted, error free or secure.

6. Limitation of Liability

YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, REGARDLESS OF THE FORM OF THE ACTION OR THEORY OF RECOVERY, RELATED IN ANY WAY TO YOUR USE OF SMCU MOBILE DEPOSIT EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

7. Indemnification

In addition to the indemnities contained in the Account Documentation, you agree to defend, indemnify and hold us harmless for any loss or expense (including attorney's fees and expenses of litigation) resulting from:

- a. your breach of any of the warranties made by you pursuant to this Addendum or the Account Documentation;
- b. any claim pertaining to any warranty or indemnity that we make with respect to an Item under the Check Clearing for the 21st Century Act, Federal Reserve Board Regulations CC and J and all other laws, regulations and industry and clearing house rules applicable to Items.

8. Grant of License.

a. Grant of License. To the extent we or our licensors make any software available to you via download on our website for use in conjunction with SMCU Mobile Deposit, we hereby grant, and you hereby accept, for the term of this Addendum, a non-exclusive, non-assignable, non-transferable, limited right and license to use the proprietary computer software products in object code and any associated documentation ("Products") for use only directly in conjunction with its permitted use of SMCU Mobile Deposit.

b. Title. Except for the license granted to you hereunder, all rights and title in and to the Products, including any improvements, modifications, and derivative works, will at all times remain with us or our licensors, and you shall acquire no rights in the Products.

c. Use of Products.

i. You agree that the Products will be used only by you and your Affiliates, provided that each Affiliate agrees to be bound by the terms hereof and further that you will be liable for your Affiliates' acts and omissions in connection with the Products. For purposes of this Agreement, "Affiliates" means those entities that control, are controlled by or are under common control with you. For purposes of this definition, "control" (including with correlative meaning, controlled by, and under common control with) means the possession, directly or indirectly, of greater than a 50% ownership interest in an entity.

ii. Except as otherwise expressly provided herein, you will not copy, modify, or create derivative works of the Products or display, assign, sublicense, distribute, or otherwise transfer any interest in this Agreement or the Products to any third party.

iii. You will not, and will not permit others to, reverse engineer, reverse-compile, or reverse-assemble the Products or otherwise attempt to obtain source code for the Products.

iv. You shall use the Products solely for your internal business purposes. For purposes of this clause, the expression "internal business purposes" will in no circumstance include time sharing, rental, or service bureau purposes, or the sale, marketing or (except as otherwise expressly provided herein) commercial exploitation of the Products.

v. You will notify us in writing regarding any unauthorized use or disclosure of the Products immediately after it becomes known to you.

d. Confidentiality.

You acknowledge that the Products constitute trade secrets and represent significant economic and commercial value to us and/or our licensors and must be maintained as secret, confidential and proprietary. You agree that copyright legends borne by the Products in no way reduce the trade secret, proprietary and/or confidential nature thereof. You will take all reasonable steps to safeguard the Products to ensure that no unauthorized disclosure or use is made, in whole or in part, and will use at least the same degree of care to prevent the unauthorized use, disclosure or availability of the Products as you ordinarily use in protecting your own most valuable confidential and proprietary information. You will not remove or alter any copyright or other proprietary legends contained on the Products.

Your obligations under this Section survive termination of this Addendum.

e. Installation, Training and Maintenance. You will be solely responsible for the installation, training and maintenance of the Products. It is your (and expressly not our) responsibility to establish reasonable backups, accuracy checks and security precautions to guard against possible malfunctions, loss of data and unauthorized access.

f. Patent Infringement. In the event the Products become, or in our opinion are reasonably likely to become, the subject of a claim of infringement, you will allow us, at our option and expense, to replace the products with a non-infringing alternative, modify the products so that they become non-infringing or terminate the license.

g. Indemnification. You will defend, indemnify and hold us, our officers, affiliates, employees and agents harmless from any actions, claims, losses, demands, liabilities, litigation or damages (including reasonable attorneys' fees) arising from or in connection with your unauthorized use of the Products.

h. Risk of Loss. You will bear the entire risk of loss, destruction and damage to the Products from any cause whatsoever, and no such loss, destruction or damage shall impair any of your obligations hereunder which shall continue in full force and effect.

i. Export Control; Compliance with Laws. You will be responsible, at your expense, for complying with all laws and regulations applicable to use of the Product, including, without limitation, laws and regulations pertaining to (i) exports or imports of software and related property; (ii) use or remote use of software and related property; or (iii) registration of this Agreement. You will indemnify and hold harmless us and our affiliates, employees and agents from and against all actions, claims, losses, demands, liabilities, litigation or damages (including reasonable attorneys' fees) arising from or in connection with any violation by you of any such laws or regulations.

9. Termination of Service.

a. We reserve the right to terminate the Service at any time without notice to you.

b. The provisions of sections 4, 5, 6, 7, 8(g) and 8(i) shall survive termination of this Addendum.

10. Miscellaneous

If you receive notice of any claim regarding the Service, you shall promptly provide us with a written notice of it.