

# Members Financial Federal Credit Union

## Mobile Banking Agreement and Disclosure

This Online Banking Agreement and Disclosure sets forth terms and conditions for use of the Mobile Banking Services offered by Members Financial FCU. These services include, but are not limited to, Website Online Banking, Mobile App, Bill Pay, Remote Deposit, etc. By requesting and using one of these services you agree to comply with the terms of the agreement. Please read this agreement carefully and keep a copy for your records.

### Definitions

**You, Your, User** –the owner/member of the account or authorized representative

**We, Us, Our** – Members Financial Federal Credit Union

**Business Day** –Any calendar day except Saturday, Sunday, or Holidays on which the credit union is Closed. Bill Payments will be processed on all business days that both the Federal Reserve and the US Postal Service are open and operating for business.

**Business Day Cut-Off** –There is no business day cut-off time for online banking transactions.

**PC** – Personal Computer

### Privacy Statement

We understand how important privacy is to our members. We have taken all steps available to us to ensure that your personal and financial dealings with the credit union are safe and secure. You may obtain a copy of our Privacy statement by clicking on the Privacy Statement at the bottom of our website home page.

### Access to Services

We will provide instructions on how to use Mobile Banking. You will gain access to your Mobile Accounts through the use of your Internet-enabled device, your ISP (internet service provider), your user ID, and your password. You may access your online accounts 24 hours a day, seven days a week.

### Acceptance of Agreement

By clicking "I accept" when you register for Mobile Banking Services you agree to the terms and conditions of this Agreement and Disclosure.

### Description of Services

Mobile Banking is a personal financial information management service that allows you to access account information, products and services and make such financial transactions as set forth in the Electronic Funds Transfer Agreement using compatible and supported mobile phones and/or compatible and supported wireless devices. We reserve the right to modify the scope of the Mobile Banking Services at any time. We reserve the right to refuse to make any transaction you request through Mobile Banking. You agree and understand that Mobile Banking may not be accessible or may have limited use over some mobile telephone networks, such as while roaming. The most up-to-date list of services which you may be able to access through Mobile Banking is posted on the registration and management page. When you register for Mobile Banking, designated accounts linked to your account will be accessible through Mobile Banking services.

### Balance Inquiries, Bill Payments and Transfer Limitations

You may use your Mobile Banking to check the balance of your accounts and to transfer funds between your accounts. You may not make more than six (6) pre-authorized or automatic transfers or bill payments from your Share savings account during each monthly statement period. There are no limits to the number of transfers or bill payments from your Share Draft/CheckingAccounts. Balances shown on your accounts may differ from your records due to deposits in progress, outstanding checks or other withdrawals, payments, holds, or charges. A transfer request may not result in immediate availability due to time required to process the request. If there are situations that cause a delay in an update of your balances, the system will use the most current balance available at the time of a transaction on which to base an approval. You may also view several months of transaction history online.

### Statements

You will continue to receive your regular paper statements unless you choose the e-statement option on our website. If you choose e-statements you will no longer receive a paper statement but will receive an e-mail to let you know when the statement is ready for you to view online. You may print the online statements if you wish. If you choose e-statements and then require a printed statement from the credit union, you will be charged a fee according to our current fee schedule.

### Use of Services

Mobile banking will not work unless you use it properly.

You accept responsibility for making sure that you understand how to use Mobile Banking before you actually do so and you use Mobile Banking in accordance with the online instructions posted on our web site. You also accept responsibility for making sure that you know how to properly use your Wireless Device and the Mobile Banking software ("Software"). In

the event we change or upgrade Mobile Banking, you are responsible for making sure that you understand how to use Mobile Banking as changed or upgraded. We will not be liable to you for any losses caused by your failure to properly use Mobile Banking or your Wireless Device.

#### **Relationships to Other Agreements**

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 carrier or provider (e.g., A T&T, Verizon, Sprint, etc.), and that this agreement does 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, including while downloading the Software, receiving or sending Mobile Banking text messages, or other use of your Wireless Device when using the Software or other products and services provided by 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 them without involving us. You also agree that if you have any problems with our Mobile Banking, you will contact us directly.

#### **Mobile Banking Software License**

Subject to your compliance with this Agreement, you are hereby granted a personal, limited, non-transferable, non-exclusive, non-sub licensable and non-assignable license ("License") to download, install and use the Software on your Wireless Device within the United States and its territories. In the event you obtain a new or different Wireless Device, you will be required to download and install the Software to that new or different Wireless Device. This License shall be deemed revoked immediately upon (a) your termination of Mobile Banking in accordance with this Agreement; (b) your deletion of the Software from your Wireless Device; or (c) 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 Wireless Device.

#### **User ID's and Passwords**

Security is very important to the Mobile Banking System. When you register for our mobile banking service you will be required to provide answers to personal questions that will be used in the future as verification of your identity. You will be e-mailed a temporary password that must be changed when you log on for the first time. Once you change your password you are responsible for keeping your password and Mobile Account information confidential. In order to protect yourself from fraud you should:

- Not give out your account information, password, or user ID
- Not leave your PC unattended after logging into your account
- Never send privileged account information (account number, password, etc.) in any public or general e-mail system

If you believe your password has been lost or stolen, you may use the password change feature on our website to change your password or contact the credit union for a temporary password. If you believe there has been fraudulent activity on your account, call the credit union immediately. Calling the credit union or coming into our office is the best way to minimize your losses and liabilities.

#### **Online Security**

We use a secure layered encryption technology for everything you do on the Mobile Banking System. This technology is automatically activated by your browser when it attempts to connect to our system and it is supported by a 128 bit encryption. What this means to you is that your communications are scrambled from your browser to our servers at all times so no unauthorized parties can read your information as it is carried across the Internet. During your use of our Mobile Banking System we will pass a "cookie" to your browser for identifying you during the session. We do not, and cannot, use our "cookies" to obtain new information about you. A "cookie" is security data that is given to a browser by a web server that is returned by the browser on subsequent transmissions to identify the user and encryption information. When you log onto the system, this "cookie" enables us to process multiple transactions during the session without you having to provide your User ID and Password for each individual transaction. When you log off, or after 10 minutes, the "cookie" is no longer accepted and must be renewed by requiring the password to be reentered. A new "cookie" is used for each session. This way, no one can use the "cookie" to access your account.

#### **Bill Pay**

It is easy to pay your bills through our Mobile Bill Pay Service. Your Bill Pay payments must be initiated from your current checking account that is in good standing with the credit union. We are able to process payments only in U.S. dollars and to payees that have a U.S. Postal address. We maintain a large data base of regional and national billers to make this process quicker and easier. You should not use the Bill Pay service to make payments to settle securities purchases, payments to interest bearing accounts, tax payments or court ordered payments. Payments for these payees will be your sole responsibility if they are delayed or improperly processed or credited.

The Credit Union is only responsible for exercising ordinary care in ensuring that payments are processed and sent upon your authorization. We will not be liable for damages you incur for any of the following reasons:

- Insufficient available funds in your account that is to pay for the bill or transfer on the processing date
- Funds in the account are subject to legal process restricting the payment or transfer
- Information provided by you about the payee is incorrect (including change of address or account number)
- The failure of any payee to correctly account for or credit the payment in a timely manner
- Natural disasters (fire, flood, tornado, etc.) or other uncontrollable circumstances (mail delays, power failures, etc.) beyond the control of the credit union, that prevent proper completion and delivery of transactions

#### **Disclosure of Account Information to Third Parties**

Information to third parties about your account(s) or the transaction(s) you make will only be disclosed if at least one of the following applies:

- It is necessary to complete a transaction
- To verify the existence and condition of your account to a third party such as a credit bureau or merchant
- To comply with a governmental agency or court order
- If permission is given by you to us; which we may require to be in writing
- To collect information for internal use, the use of our service providers, and our serving agents and contractors concerning our electronic funds transfer service
- It involves a claim by or against us concerning a deposit or withdrawal from your account
- Where otherwise required or permitted under state or federal laws and/or regulations

#### **Your Obligations**

When you use Mobile Banking to access accounts you designate during the registration process, you agree to the following:

##### **A. Account Ownership/Accurate Information**

You represent that you are the legal owner of the accounts and other financial information that may be accessed via Mobile Banking. You represent and agree that all information you provide us in connection with Mobile Banking is accurate, current and complete, and that you have the right to provide such information to us for the purpose of operating Mobile Banking. You agree to not misrepresent your identity or your account information. You agree to keep your account information up to date and accurate.

##### **B. Proprietary Rights**

You are permitted to use content delivered to you through Mobile Banking only on Mobile Banking. You may not copy, reproduce, distribute, or create derivative works from this content. Further, you agree not to 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.

##### **C. User Conduct**

You agree not to use Mobile Banking or the content or information delivered through Mobile Banking in any way that would: (a) infringe any third-party copyright, patent, trademark, trade secret, or other proprietary rights or rights of publicity or privacy, including any rights in the Software; (b) 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; (c) violate any law, statute, ordinance or regulation (including, but not limited to, those governing export control, consumer protection, unfair competition, anti-discrimination or false advertising); (d) be false, misleading or inaccurate; (e) 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; (f) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (g) potentially be perceived as illegal, offensive or objectionable; (h) interfere with or disrupt computer networks connected to Mobile Banking; (i) interfere with or disrupt the use of Mobile Banking by any other user; or (j) use Mobile Banking in such a manner as to gain unauthorized entry or access to the computer systems of others.

##### **D. No Commercial Use or Re-sale**

You agree that the Mobile Banking services are for personal use only. You agree not to resell or make commercial use of Mobile Banking.

##### **E. Indemnification**

Unless caused by our intentional misconduct or gross negligence, you agree to protect and fully compensate us and service providers from any and all third party claims, liability, damages, expenses, and costs (including, but not limited to, reasonable attorney's fees) caused by or arising from your improper use of Mobile Banking software or

your infringement, or infringement by any other user of our account, of any intellectual property or other right of anyone.

**F. User Security**

You agree not to give or make available your Mobile Banking Personal Identification Number (the "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 Wireless Device and PIN or other means to access Mobile Banking, you are responsible for any transactions they authorize. If you believe that your PIN, Wireless 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 Members Financial at 432-520-3443 or 1-800-869-0961.

**No Signature Requirements**

When any payment or other online service generates items to be charged to your account, you agree that we may debit the designated account, or the item on which the item is drawn, without requiring your signature on the item and without any notice to you.

**Virus Protection**

The credit union will not be responsible for any electronic virus or viruses that you may encounter. We encourage our members to routinely scan their PC using a reliable virus product to detect and remove viruses. Undetected or unrepaired viruses may corrupt and destroy your programs, files, and even your hardware. Additionally, you may unintentionally transmit the virus to other computers.

**Termination**

You may terminate the use of our Mobile Banking Service by contacting the credit union in writing, by e-mail, or in person. If you believe that you are the victim of fraudulent activity or identity theft, you must contact us immediately to close the account in order to minimize losses for both you and the credit union. If your account is closed or restricted for any reason, Mobile Banking accessibility will automatically terminate.

**Amendments**

Terms and conditions of this agreement may be amended in whole or part at any time if a 30 day written notification is sent prior to the change taking effect. If you do not agree with the changes, you must notify us in writing prior to the effective date to cancel your access. Amendments or changes to terms and conditions may be made without prior notice if it does not result in higher fees, more restrictive service use, or increased liability to you.

# Members Financial Federal Credit Union

## Funds Availability Policy

### **Ability to withdraw Funds**

It is the policy of Members Financial FCU to delay the availability of funds from certain check deposits. During the delay, funds from that check will not be available for the member in cash, and the funds are not accessible through electronic means or check withdrawal.

### **Foreign Checks**

The credit union will NOT accept or process checks that are drawn on foreign banks or through foreign countries. If a foreign check is inadvertently accepted as a deposit, the credit union is not responsible for valuation differences related to currency exchange rates. The member is responsible for any differences in valuation of the foreign item.

### **Two Party Checks**

It is the policy of the credit union to NOT accept second party endorsement checks. However, if an exception is made and a two-party check is deposited, we may opt to delay the funds until the 7<sup>th</sup> business day after the deposit.

### **Availability of deposits**

The length of a delay is counted in business days from the day of the deposit. Every day is a business day except Saturday, Sunday and Federal Holidays. If a deposit is made before closing on a business day that the credit union is open, we consider that to be the day of the deposit. However, if a deposit is made after closing; for example, through the night drop, or on a day we are not open, the deposit will be considered to be made the next business day that we are open.

### **Delays**

The length of the delay is dependent on the type of deposit as follows:

#### **Same Day Availability**

Funds from the following types of deposits will be made available on the day we receive the deposit if the deposit is made in person:

- Electronic deposits to an account
- Wire transfers
- Checks drawn on us (from our member's account)
- Cash
- State and local government checks payable to our member
- Federal Reserve Bank checks, Federal home Loan Bank checks, and postal money orders, if these items are payable to our member

#### **Next Day Availability**

Funds from the following types of deposits will be made available the next business day after we receive the deposit if the deposit is made in person:

- Cashier's certified and teller checks that are payable to our member

- Federal Reserve Bank Checks, Federal Home Loan Bank Checks and postal money orders if these items are payable to our member.
- US Treasury checks made payable to our member
- State and government checks that are payable to our member

#### **Other check deposits**

The first **\$250.00** from deposits of other checks will be made available **on the day of the deposit**. The remaining funds will be available on the **2<sup>nd</sup>** business day after the day of deposit. In addition to these guidelines, funds that are deposited by check may be delayed for longer periods of time according to a case by case review of circumstances. Longer delays may be imposed if:

- We believe a deposited check may not be paid
- Check deposits for any one day total more than **\$5,525.00**
- The deposit is a re-deposit of a check that had been returned unpaid
- The account that the deposit is being made into has been overdrawn repeatedly in the last six months
- There is an emergency, such as a failure of computer or communications equipment

#### **Notification**

The account holder will be given a hold notice if we delay funds for any of these reasons and will be told when the funds will become available. If it is decided after the member leaves the credit union to hold funds, the member will be notified by phone and by mail. The funds will generally be made available no later than the **7<sup>th</sup>** business day after the day of the deposit.

#### **Negative Balances**

If a member has a negative available balance in their account at the time of deposit, the **\$250.00** that must be made available to them may be made available by applying the **\$250.00** to the negative balance rather than making the **\$250.00** available for withdrawal.

#### **Deposits not Made in Person**

If a deposit is not made in person to a credit union employee (for example by mail or night drop) an additional day may be added to the availability of the funds.

#### **Special Rules for New Accounts**

For a new member, the following special rules will apply during the first 30 days of the account opening date provided none of the members on the account have other transaction accounts at the credit union that have been opened for at least 30 days:

- Funds from Electronic Deposits will be available on the day the deposit is received.
- Funds from deposits of cash, wire transfers, and the first **\$5,525.00** of a day's total deposits of Cashier's, Certified, Teller's, Traveler's, and Federal, State and Local Government Checks will be made available on the **1<sup>st</sup>** business day after the day of the deposit, if the check is made payable to our member.

- The excess over **\$5,525.00** will be available on the **9<sup>th</sup>** business day after the deposit.
- If the deposit of the check(s) is not made in person to one of our employees, the first **\$5,525.00** will not be available until the **2<sup>nd</sup>** business day after the day of the deposit.
- Funds from all other check deposits will be available on the **9<sup>th</sup>** business day after the day of deposit.

### **Cash Withdrawal Exception**

For withdrawal by cash or similar means we may extend by one business day the availability of funds deposited in an account by one or more checks. Similar means include electronic payment, issuance of a cashier's or teller's check, or certification of a check, or other irrevocable commitment to pay. We shall, however, make \$450 of these funds available for withdrawal by cash or similar means not later than 5:00 pm on the business day on which the funds would otherwise be available. This \$450 is in addition to the required \$100 that must be made available.

### **ATM**

Deposits made at an ATM may not be available until the **5<sup>th</sup>** business day after deposit.

### **Hold on Account Funds**

The credit union reserves the right to place a hold on funds already on deposit in an account when cashing a check for a member.

### **Check Endorsements**

Federal law requires all check endorsements to be in the first 1-1/2 inches of the trailing edge of the back of the check. The trailing edge is the opposite the left side of the face of the check, the side of the check just behind the address on the check.

Lack of endorsements or lack of proper endorsements may delay the availability of funds for a deposited check.

### **Dividend Payment Policy**

See the Account Disclosures section of the Agreement and Disclosures for the policy on the payment of dividends.

### **Check 21 Substitute Checks**

In order to make check processing faster, federal law permits banks to replace original checks with "substitute checks". These checks may be used as proof of payment just like an original check. You may have special rights regarding substitute checks. You may request the complete Policy and Disclosure regarding substitute checks from any credit union employee.

# Members Financial Federal Credit Union

## Electronic Signatures

### Policy Statement

The purpose of this policy is to outline Members Financial Federal Credit Union's (MFFCU) requirements for the use of electronic signatures (e-signatures), electronic transactions (e-transactions), and electronic records (hereafter e-records) in conducting the Credit Union's business operations and providing documentation to members.

This policy also includes the provisions of the Electronic Signatures in Global and National Commerce Act (E-SIGN). According to E-SIGN, electronic signatures and records have the same legal validity and enforceability as paper records and handwritten signatures. E-SIGN is technology neutral, in that it does not mandate or recommend the use of any particular technology for electronic records or signatures. The decision of which technology to use is up to the Credit Union if it wishes to conduct business electronically.

To the fullest extent permitted by law, the Credit Union accepts e-signatures as legally binding and equivalent to handwritten signatures to signify an agreement.

### Guidelines:

1. **Adherence to Law.** The Credit Union will follow the requirements of the Electronic Signatures in Global and National Commerce Act (E-SIGN), the Uniform Electronic Transactions Act (UETA), and all other laws that may apply to the process of using electronic signatures.
  2. **Security Procedures.** The Credit Union will adopt security procedures for e-signatures, e-transactions and e-records that are practical, secure, and that balance risk and cost. It is not the intent of this policy to eliminate all risk, but rather to provide a process for undertaking an appropriate analysis prior to approving the use of e-signatures, e-transactions or e-records for specific Credit Union transactions; and, based on such analysis, to designate those transactions in which e-signatures, e-transactions and e-records will be used in place of handwritten documents.
  3. **Definitions.**
    - A. Electronic means relating to technology electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.
    - B. An electronic signature is an electronic sound, symbol, or process, attached to or associated with a contract or other record that was executed or adopted by a person with the intent to sign the record.
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C. An electronic record is a contract or other record created, generated, sent, communicated, received, or stored by electronic means.

**4. Transactions Subject to Electronic Signatures.**

A. **Designation.** The Credit Union reserves the right to designate specific transactions that are to be conducted as e-transactions or maintained as e-records, and that are to be fulfilled by e-signature under this policy.

B. **Paper Notification Record.** The Credit Union will provide the member with paper notices if electronic notification is not allowed under the law. The following notices require paper notification as E-SIGN does not apply to, not permit:

- i. Electronic notification for court orders, notices or official court documents;
- ii. Electronic notification for notices of default, acceleration, repossession, foreclosure, eviction, or the right to cure, under a credit agreement secured by, or a rental agreement for, a member's primary residence.

**5. E-SIGN Member Disclosure.** The Credit Union will provide the member with a disclosure before engaging in any electronic signature activities. The disclosure will inform the member:

- A. Of their rights and options to receive the record in a paper or non-electric form;
- B. The Hardware and software requirements for access to and retention of the electronic records;
- C. Their right to withdraw the consent to have the record provided or made available in an electronic form; and the conditions, consequences and fees which might apply in the event of such withdrawal;
- D. Whether the consent applies to the particular transaction which created the obligation to provide the record, or to identified categories of records that may be provided or made available during the course of business with the Credit Union;
- E. That the member is responsible for maintaining the information needed for the Credit Union to contact the member electronically;
- F. The member's right to obtain a paper copy of the electronic record and any fee charged for the copy; and
- G. The steps the member must take to withdraw consent for electronic transactions.

**6. Electronic Consent.** The member must confirm his or her consent to participate in and receive E-SIGN documentation electronically, in a manner that reasonably demonstrates that they can access information in the electronic form used to provide the information that is the subject of the consent, before the Credit Union can rely on that consent.

**7. Revised E-SIGN Requirements.** If the Credit Union changes the hardware or software requirements to access the member's records the Credit Union will inform members of the revised hardware and software requirements for access to and retention of the electronic records, and that the member has the right to withdraw their consent without the imposition of a fee or any other consequences.

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8. **Withdrawal of Consent.** Withdrawal of member consent shall not affect the legal effectiveness, validity, or enforcement of electronic records provided to the member prior to the member's withdrawal of consent. A consent withdrawal shall be effective within a reasonable time after receipt of the withdrawal.
9. **Record Retention.**
- A. **Retention.** The Credit Union can store records using electronic means as allowed by law.
  - B. **Form of Record.** Electronic records maintained by the Credit Union will:
    - i. Accurately reflect the information set forth in the contract or other record; and
    - ii. Remain accessible to all persons who are legally entitled to access in a form that is capable of being accurately reproduced for later reference, whether by transmission, printing or otherwise.
  - C. **Originals.** If a statute, regulation, or other rule of law requires a contract or other record relating to a transaction be provided, available, or retained in its original form, or provides consequences of the contract or other record is not provided, available, or retained in its original form, the Credit Union will retain that documentation according to those specific requirements.
10. **Oral Communication.** Oral communication or a recording of an oral communication does not qualify as an electronic record.
11. **Exemptions.** The provisions of E-SIGN shall not apply to the following;
- A. A statute, regulation, or other rule of law governing adoption, divorce, or other matters of family law;
  - B. The UCC, as in effect in ant state, other than sections 1-107 and 1-206, and Articles 2 and 2A.
  - C. Court orders or notices, or official court documents (including briefs, pleadings, and other writings) required to be executed in connection with court proceedings;
  - D. Any notice of cancellation or termination of utility services (including water, heat, and power);
  - E. Any notice of default, acceleration, repossession, foreclosure, eviction, or the right to cure under a credit agreement secured by, or a rental agreement for, an individual's primary residence;
  - F. The cancellation or termination of health insurance or benefits of life insurance benefits (excluding annuities);
  - G. A recall or material failure of a product that risks endangering health or safety; or
  - H. Any document required to accompany any transportation or handling of hazardous materials, pesticides, or other toxic or dangerous materials.
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