



REMOTE DEPOSIT CAPTURE SERVICES DISCLOSURE AND AGREEMENT

In this Disclosure and Agreement, the words “you,” “your,” and “yours” mean the consumer that applied for and/or uses any of the Remote Deposit Capture Services (the “Services”) described in this Disclosure and Agreement. The words “we,” “us,” and “our” mean COMMUNITY FIRST GUAM FEDERAL CREDIT UNION. Your application for use of the Remote Deposit Capture Services, our notification of approval of your application, and your CFG Membership and Account Agreement are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement and your Application, our approval, or the Membership and Account Agreement, this Disclosure and Agreement will control.

Use of the Services

Following receipt of our notification approving your use of the Services, you are authorized by us to remotely deposit paper checks we receive to your account with us (the “Account”) by electronically transmitting a digital image of the paper checks to us for deposit. Your use of the Services constitutes your acceptance of the terms and conditions of this Disclosure and Agreement. You agree to comply with the hardware and software requirements set forth by us. (**Minimum Android Version Supported** - Android 9.0 **Minimum iOS Versions Supported** – iOS 15, iPadOS 15.) Upon receipt of the digital image, we will review the image for acceptability. You understand and agree that receipt of an image does not occur until after we notify you of receipt of the image via onscreen messaging and/or email notification. You understand that, in the event you receive a notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive. Following receipt of the image, we may process the image by preparing a “substitute check” or clearing the item as an image. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your Account. You understand that any amount credited to your Account for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check. **In addition, you agree that you will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.**

Guarantee Specific to Deposits Received for Credit to a Business Account:

Your use of the Services for the purpose of depositing to a Business Account constitutes your understanding and agreement that you may be personally liable for any expenses CFG incurs in attempting to obtain final payment for the item in question, outside of the routine costs associated with item processing, in the event of a default by the Business. This includes but is not limited to recovery of the amount credited in the event of non-payment, collection costs and attorney’s fees as applicable, as well as any and all costs associated with CFG enforcing this Guarantee. This Guarantee shall benefit CFG and its successors and assigns.

Compliance with Law

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

Check Requirements

Any image of a check that you transmit to us must accurately and legibly provide all the information on the front and back of the check at the time presented to us by the drawer. Prior to capturing the original check, you will endorse the back of the original check. Your endorsement will also include **“For CFG eDeposit Only [Account no.]”**.

The image of the check transmitted to us must accurately and legibly provide, among other things, the following information:

- (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and
- (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check.

The image quality for the check will meet the standards for image quality established by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

Rejection of Deposit

We are not liable for any service or late charges levied against you due to our rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

Items Returned Unpaid

A written notice will be sent to you of transactions we are unable to process because of returned items. With respect to any item that you transmit to us for remote deposit that we credit to your Account, in the event such item is dishonored, you authorize us to debit the amount of such item from the Account.

Email Address

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

Unavailability of Services

You understand and agree that the Services may at times be temporarily unavailable due to our system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event that the Services are unavailable, you acknowledge that you can deposit an original check at our service centers or by mailing the original check to us at Community First Guam FCU, 231 Route 4 Hagatna, Guam 96910. It is your sole responsibility to verify that items deposited using the services have been received and accepted for deposit by us. However, we will email notification of items that are rejected by the next business day following rejection.

Business Days and Hours

CFG business days are Monday – Thursday 9am to 4pm, Friday 9am to 5pm, and Saturday 9am to 12pm. Holidays are not included.

Funds Availability

You understand and agree that, for purposes of deposits made using the services, the place of deposit is Hagatna, Guam. With regard to the availability of deposits made using the services, such funds will be available as set forth below. This policy statement applies to "transaction" accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts. Feel free to ask us whether any of your other accounts might also be under this policy.

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit.

However, funds from electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 5:00 PM on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 PM or on a day we are not open, we will consider that the deposit was made on the next business day we are open. If you make a deposit using our Remote Deposit Capture Services, funds will be credited to your account within two business days, however checks may be subject to a hold based on our check hold policy.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept a deposit for a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Longer Delays May Apply

Case-by-case delays. In some cases, depending on the type of check that you deposit, we will not make all of the funds that you deposit by check available to you on the same day we receive your deposit.

If we are not going to make all of the funds from your deposit available on the same day we receive your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available.

If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Safeguard exceptions. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the tenth business day after the day of your deposit.

Special Rules for New Accounts

If you are a new member, the following special rules may apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, travelers, and federal, state and local government checks will be available on the same day as the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip).

Accountholder's Warranties

You make the following warranties and representations with respect to each image of an original check you transmit to us utilizing the Services:

- 1) Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
- 2) The amount, the payee, signature(s), and indorsement(s) on the original check are legible, genuine, and accurate.
- 3) You will not deposit or otherwise indorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
- 4) Other than the digital image of an original check that you remotely deposit through our Services, there are no other duplicate images of the original check.
- 5) You have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.

- 6) You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- 7) The information you provided in your application remains true and correct and, in the event any such information changes, you will immediately notify us of the change.
- 8) You have not knowingly failed to communicate any material information to us.
- 9) You have possession of each original check deposited using the Services and no party will submit the original check for payment.
- 10) Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

Storage of Original Checks

You must securely store each original check. If you are using the Service to deposit items into an account in the name of a Business to which you are a party you understand this means the original check(s) must be accessible only, under dual control, by your authorized personnel, that you deposit using the Services for a period of 90 days after transmission to us. Persons who have access to the stored checks must be fully bondable and have passed a thorough screening. After such period expires, you will destroy the original check. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks.

Securing Images on Mobile Devices

When using CFG eDeposits, you understand that check images captured using your mobile device are stored on the device only until the associated deposit has been successfully submitted. You agree to promptly complete each deposit. In the event that you are unable to promptly complete your deposit, you agree to ensure that your mobile device remains securely in your possession until the deposit has been completed or to delete the associated images from the application.

Accountholder's Indemnification Obligation

You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

In Case of Errors

In the event that you believe there has been an error with respect to any original check or image thereof transmitted to us for deposit or a breach of this Agreement, you will immediately contact us regarding such error or breach as set forth below.

Telephone us at: (671) 472-8210, option 4, email us at emailus@cfirstguam.com, or send a Secure Message via CFG Online

Limitation of Liability

You understand and agree that we are not responsible for any indirect, consequential, punitive, or special damages or damages attributable to your breach of this Disclosure and Agreement.

Charges for Use of the Services

There are no charges associated with the use of the Services at this time; however, you understand and agree that you are still responsible for checks you deposit that are returned to us unpaid, and for any other problems involving your deposit, and for any related and/or applicable charges including attorney's fees disclosed in our Rate and Fee Schedule which accompanies this Disclosure and Agreement

Warranties

YOU UNDERSTAND THAT THE FINANCIAL INSTITUTION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE FINANCIAL INSTITUTION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE FINANCIAL INSTITUTION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

Change in Terms

We may change the terms and charges for the Services indicated in this Disclosure and Agreement by notifying you of such change in writing and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. Your use of the Services after receipt of notification of any change by us constitutes your acceptance of the change.

Termination of the Services

You may, by written request, terminate the Services provided for in this Disclosure and Agreement. We may terminate your use of the Services at any time upon written notice. In the event of termination of the Services, you will remain liable for all transactions performed on your Account.

Relationship to Other Disclosures

The information in these Disclosures applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

Governing Law

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

Periodic Statement

Any remote deposits made through the Services will be reflected on your monthly account statement. You understand and agree that you are required to notify us of any error relating to images transmitted using the Services by no later than 60 days after you receive the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

Unacceptable Deposits

You understand and agree that you are not permitted to deposit the following items using the Services:

- 1) Any check or item payable to any person or entity other than you.
- 2) Any check or item drawn on your CFG account
- 3) Any item that is stamped with a "non-negotiable" watermark.
- 4) Any item that contains evidence of alteration to the information on the check.
- 5) Any item issued by a financial institution in a foreign country or not payable in US Dollars.
- 6) Any item that is incomplete.
- 7) Any item that is "stale dated" or "postdated."
- 8) Items previously converted to a substitute check
- 9) Consumer loan, credit card and mortgage payments.
- 10) Item for deposit into an IRA or Term Share account.
- 11) Money orders, travelers' checks, U.S. Savings Bond
- 12) Non-personalized starter or counter checks
- 13) Checks that require authorization
- 14) State-issued registered warrants.

Changes in Financial Circumstances

You understand and agree that you must inform us immediately in the event a material change in your financial circumstances as or in any of the information provided in your application including any supporting financial information. If you are using the Service to deposit items into an account in the name of a Business to which you are a party, this includes, but is not limited to, notification of the following:

- (a) changes in transaction volumes at your business;
- (b) any change in a representation or statement made or furnished to us by you or on your behalf in your application;
- (c) a material change occurs in your ownership or organizational structure (acknowledging that any change in ownership will be deemed material when ownership is closely held);
- (d) you liquidate or dissolve, or enter into any consolidation merger, partnership, or joint venture;
- (e) You sell any assets except in the ordinary course of your business as now conducted, or sell, lease, assign or transfer any substantial part of your business or fixed assets or any property or other assets necessary for the continuance of your business as now conducted including, without limitation, the selling of any property or other assets accompanied by the leasing back of the same;
- (f) you cease doing business, become insolvent, a receiver is appointed for all or any part of your property, you make an assignment for the benefit of creditors, or any proceeding is commenced either by you or against you under any bankruptcy or insolvency laws or any other law or laws relating to debtors;
- (g) any guaranty of your indebtedness to us, whether related or unrelated to the Account or the Services, ceases to be in full force and effect or is declared to be null and void; or the validity or enforceability thereof is contested in a judicial proceeding; or any guarantor denies that it has any further liability under such guaranty; or any guarantor defaults in any provision of any guaranty, or any financial information provided by any guarantor is false or misleading);
- (h) You or any guarantor dies; if you are a sole proprietorship, the owner dies; if you are a partnership, any general or managing partner dies; if you are a corporation, any principal officer or 10.00% or greater shareholder dies; if you are a limited liability company, any managing member

dies; if you are any other form of business entity (any person(s) directly or indirectly controlling ten percent (10.00%) or more of the ownership interests of such entity dies;

(i) any creditor tries to take any of your property on or in which we have a lien or security interest, including a garnishment of any of your accounts with us;

(j) a judgment or judgments is entered against you or any guarantor(s) in the aggregate amount of \$250 or more that is not satisfied within thirty (30) days *or* stayed pending appeal;

(k) an involuntary lien or liens is attached to any of your assets or property and not satisfied within thirty (30) days or stayed pending appeal;

(l) an adverse change occurs in your financial condition or applicable credit histories; and

(m) you are in default under any agreement for borrowed money or any other material contract.

You agree to provide us any financial records we reasonably request to determine your financial status during the term of this Disclosure and Agreement.

Confidentiality

You acknowledge and agree that confidential data relating to our Services, marketing, strategies, business operations and business systems (collectively, "Confidential Information") may come in connection with this Disclosure and Agreement. You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of our Confidential Information.

Waiver

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

Relationship

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