



PARDA Federal Credit Union  
2601 Cambridge Court, Suite 210  
Auburn Hills, Michigan 48326  
Tel: (248) 340-7000  
Fax: (248) 475-2550  
Email: [info@parda.com](mailto:info@parda.com)

**INFORMATION ON  
ELECTRONIC FUND  
TRANSFERS FOR ONLINE  
BANKING  
AND BILL PAYMENT  
IMPORTANT MEMBER  
INFORMATION**

**The following information pertains to your rights and liabilities with respect to Electronic Fund Transfers for Online Banking, Bill Payment and Mobile Deposit Capture. Please retain this information for future reference. If you have arranged to have:**

- An Online Banking control number used in connection with your Account for use with a Personal Computer (PC), tablet or mobile device to make electronic transfers and/or;
- Bill Payment Services in connection with Online Banking

We would like you to become aware of some of your rights and liabilities that relate to those services we make available to you. Under the Electronic Fund Transfer Act, the rights and liabilities apply to you regarding the above described services where the account has been opened primarily for personal, family or household purpose, and do not apply in any way to non-natural persons, such as business corporations.

In case of errors or questions about your electronic fund transfers, telephone or write to us as soon as you can. If you think your statement is wrong, or if you need more information about a transaction listed on the statement, we must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error occurred.

PARDA Federal Credit Union has the right to change this agreement upon 21 days written notice mailed to you at the last address shown for the account on our records, by posting a notice in our

branches or as otherwise permitted by law.

**SECURITY**

You accept total responsibility over your User ID, password, account number and security questions and agree to keep them confidential and secure. It is also your responsibility to ensure your User ID, password, account number and security question answers are not provided to any individual not authorized to access your account.

**ERROR RESOLUTION**

If within 60 calendar days you notify PARDA, orally or in writing, of an alleged error affecting the Account, PARDA shall be obligated to investigate the alleged error and take the following actions: (1) If PARDA determines the statement contains an error, PARDA, within 1 business day after such determination but not later than 10 business days after notification of the alleged error, subject to the exceptions described below, shall take all such action as necessary to correct the error and reimburse you for any resulting loss of funds and/or dividends and mail a written report of such action to you; or, (2) If PARDA determines the statement contains no error, PARDA, within 3 business days after such determination but no later than 10 business days after notification of the alleged error, subject to the exceptions described below, shall mail a written report explaining the basis for the determination that the statement is correct. Copies of documents relied upon by PARDA to confirm such belief will be mailed to you upon request. If we receive your complaints or questions in writing and we have not determined whether the alleged error occurred within 10 business days, we may take a total of 45 calendar days to investigate. If this additional time is used, we will adjust your Account for the amount of the alleged error, so you will have use of the money during the time it takes us to complete the investigation.

If you notify PARDA orally, you must send PARDA your complaint or question in writing within 10 business days and you should include: (1) Your name and address; (2) A description of the error or transaction you are unsure about; (3) An explanation of why you believe an error was made or why you need more information; and, (4) The dollar amount of the suspected error. If you do not send us your complaint or question in writing within 10 business from the date of your oral notification, we may take up to 45 calendar days to investigate before determining whether an error occurred, and we will not adjust your Account for the amount of the alleged error. You may call

PARDA about an alleged error at (800)860-5640. Notification of the alleged error or written confirmation of a prior notification of an alleged error must be addressed and mailed to:

**PARDA Federal Credit Union  
2601 Cambridge Court, Suite 210  
Auburn Hills, MI 48326**

The term "error", as used here means any of the following: (1) An unauthorized use; (2) An incorrect transfer from or to the Account; (3) The omission from a statement of a transfer affecting the Account; (4) A computational error; or, (5) Any other error having an adverse effect on the Account.

Please tell PARDA at once if you believe your Password has been lost or stolen. Prompt telephone notice to PARDA is the best way to minimize your possible losses. If you do not notify PARDA within 2 business days after you learn of the loss or theft of your Password, you can lose as much as \$500.00 if it can be proven that PARDA could have prevented someone from taking the money if you had notified us. If you tell us within 2 business days, you cannot lose more than \$50.00 if someone used your Password without your permission. Also, if your statement shows transfers that you did not make, tell us at once. If you don't tell us within 60 days after the statement was mailed to you, you may not get back any money you lose after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

**AUTHORIZED USERS**

In addition to you being liable for transactions you make, if you have disclosed your password to a third party, PARDA will regard that party as an "authorized user", even if the person you have authorized exceeds your authority. You will be liable for all transactions the authorized user initiates. If you wish to terminate the third party's authorization, you must notify us in writing or by telephone and allow us reasonable time to act upon the request. We may have to change your password or take additional steps to prevent further access by said party. PARDA will remain neutral in disputes between owners of the account and act upon the direction of the primary member only.

**LIABILITY**

If we do not complete an electronic fund transfer, in accordance with the terms

and conditions of an Account, on time or in the correct amount, we will be liable for your losses or damages. However, there are some exceptions to our liability including, but not limited to the following: If the funds in the Account are subject to legal process or other encumbrance; If an act of God or other circumstances beyond the control of PARDA interferes with a transaction notwithstanding the taking of reasonable precautions and the exercise of reasonable diligence by PARDA; If information necessary to complete the transaction is incomplete or inaccurate; If the agreement for the service has been terminated; If the Account has insufficient available funds to complete the transaction; If failure to complete the transaction results from technical malfunction of which you should have been aware when you attempted to initiate the transaction; If through no fault of PARDA, the merchant or institution you are paying does not process the payment in a timely of correct manner; If your Password has been reported lost or stolen or if by reason of excessive activity on your Account or otherwise, PARDA has reasonable basis for acting to protect the security of your Account; or if applicable law otherwise prevents completion of the transaction. You must maintain a minimum of \$25.00 in a regular share/savings account to be entitled to make electronic fund transfers affecting your Account. Members who opened their account prior to January 1, 2006 must maintain a minimum of \$5 in a regular share/savings account. We reserve the right to increase the minimum balance requirements and to impose other restrictions in the future. If we do, we will give you at least 21 days advance written notice. (Notice may be in the form of a statement stuffer and/or newsletter notice.)

### **PRIVACY**

We will disclose information to third parties about your account or the transactions you make:

1. Where it is necessary for completing transactions; or
2. In order to verify the existence and condition of your account for a third party, such as credit bureau or merchant; or
3. In order to comply with a government agency or court orders; or
4. If you give us written permission to do so; or
5. To verify information regarding improper or unauthorized use of your Account; or
6. Where otherwise provided by law.

Our business hours are Monday through Friday, 8:00 AM – 7:00 PM EST (excluding certain holidays) and Saturdays from 9:00 AM – 1:00 PM EST (excluding certain holidays).

Our telephone number is (800) 860-5640. Please ask for the “Member Solutions Center”, or write to:

**PARDA Federal Credit Union  
2601 Cambridge Court, Suite 210  
Auburn Hills, MI 48326**

### **Online Banking Transactions**

- Withdrawals from your regular share or checking account (a check will be mailed to your last known address on file).
- Transfers from any regular share account to your checking or loan accounts.
- Transfers from your checking account to any of your regular share or loan accounts.
- Transfers from your Line-Of-Credit loan account(s) to any of your share or checking account(s).
- Transfers from any of your regular share, checking or Line-Of-Credit loan accounts to another of PARDA’s members’ account(s).
- Obtain information that we make available on qualifying accounts.

### **Bill Payment Transactions**

Make individual payment or preauthorized recurring payments from your checking or primary share account to merchants you have designated in accordance with this disclosure.

### **TO OUR MEMBERS ACCESSING ONLINE BANKING AND BILL PAYMENT**

You may use PARDA Federal Credit Union’s online bill payment service to direct PARDA Federal Credit Union to make payments from your designated checking or share account to the “Payees” you choose in accordance with this agreement. The terms and conditions of this agreement are in addition to the account agreements, disclosures and other documents governing your account. PARDA Federal Credit Union reserves the right to terminate or suspend online bill payment at any time for any reason.

### **BUSINESS DAYS AND HOURS**

Our business hours are Monday through Friday (excluding certain holidays) from 8:00 AM – 7:00 PM EST and Saturdays (excluding certain holidays) from 9:00 AM – 1:00 PM EST. For purposes of this agreement, bill payments will be processed Monday through Friday (excluding certain holidays). Bill payment support is available

Monday through Friday from 7:30 AM – 2:00 AM EST at 1-866-336-4609.

### **AVAILABLE FUNDS**

You must have sufficient funds in your account the business day before the payment is processed. The processing date is the date we will attempt to deduct the payment from your account. If a hold has been placed on funds held in the account/share in which you have elected to transfer from, the funds cannot be transferred until the hold is removed. If there are insufficient funds in your account to make the bill payment request, we will be unable to process payment and will notify you through a secure message within the bill payment service. Only one attempt to process the payment will be made.

### **INSTRUCTIONS FOR SETTING UP PAYEES & PAYMENTS**

**Payees** – If you want to add a new “Payee,” first select the “Payee” tab located within online bill payment or speak to a service representative. PARDA Federal Credit Union reserves the right to refuse the designation of a “Payee” for any reason.

**Payments** – You may add a new payment to a “Payee” by accessing the online bill pay service and entering the appropriate information. Most other additions, deletions, or changes can be made in writing or through the online bill pay service. Payments may be sent electronically, by mail or by some other means. We may change the merchant account information you input if the designated merchant provides us with information that could expedite the payment. You may pay any “Payee” within the United States (including U.S. Territories and APO’s/AEO’s). PARDA Federal Credit Union is not responsible for payments that cannot be made due to incomplete, incorrect, or outdated information. In addition, the credit union reserves the right to refuse to process payments that reasonably appear to be fraudulent or erroneous.

The system will calculate the “Estimated Arrival Date” of your payment. This is only an estimate. It is your responsibility to schedule your bill payments to allow ample time to ensure your obligations will be paid. If you do not allow for adequate time, it is your responsibility for any late payments or finance charges that are incurred as a result of the late payment.

**Single Payments** – A single payment will be processed on the business day (generally Monday through Friday,

except certain holidays) you designate as the payments processing date, provided the payment is submitted prior to the daily cut off time on that date. The daily cut off time is currently 3:00 PM EST. A single payment submitted after the cut off time on the designated processing date will be processed on the next business day. If you designate a non-business date (generally weekends and certain holidays) as the payment's processing date, the payment will be processed on the first business day following the designated processing date.

**Recurring Payments** – When a recurring payment is processed, it is automatically rescheduled by the system. Based upon your selected frequency settings for the payment, a processing date is calculated for the next occurrence of the payment. If the calculated processing date is a non-business date (generally weekends and certain holidays), it is adjusted based upon the following rules:

- If the recurring payments' "Pay Before" option is selected, the processing date for the new occurrence of the payment is adjusted to the first business date prior to the calculated processing date.
- If the recurring payments "Pay After" option is selected, the processing date for the new occurrence of the payment is adjusted to the first business date after the calculated processing date.

**Note:** If your frequency settings for the recurring payment specify the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup>, as a particular day of the month for processing and that day does not exist in the month of the calculated processing date, the last calendar day of that particular month is used as the calculated processing date.

### **LIMITATIONS**

PARDA Federal Credit Union reserves the right to limit the number of, the type and the dollar amounts of any checks, drafts, withdrawals or transfers made through the bill payment service at any time. Limits on the number of or amount of transactions that may be performed on certain share accounts are described in PARDA Federal Credit Union's Membership Agreement and our Truth in Savings Disclosure.

### **CANCELLING A PAYMENT**

A bill payment can be changed or cancelled any time prior to the cut off time on the scheduled processing date. The daily cut off time is currently 3:00 PM EST.

### **STOP PAYMENTS**

Stop payments may not be available for individual or recurring payment(s) after they have been processed. You may place a stop payment through the appropriate

function on our bill payment service any time prior to payment being made. Or you can call us at (800) 860-5640 or write us at 2601 Cambridge Court, Suite 210, Auburn Hills, MI 48326 so we receive notification 3 business days prior to payment being processed. If you call, we will also require you to put the notification in writing within 14 days after you call. We may not be able to accept stop payments requests after the transaction has been processed. If a stop payment is possible after the transaction has been processed, our stop payment fee listed on our Fee Schedule will be charged your account for this service.

### **TERMINATION**

PARDA Federal Credit Union has the right to terminate this agreement at any time. You may terminate this agreement by proving written notice to the credit union at 2601 Cambridge Court, Suite 210, Auburn Hills, MI 48326. The credit union is not responsible for any fixed payment made before the credit union has a reasonable opportunity to act on your termination notice. You remain obligated for any payments made by PARDA Federal Credit Union on your behalf.

Please note that after 180 days of inactivity, you will be charged a monthly inactivity fee of \$5.00 and may be removed from the online bill payment service.

### **LIABILITY**

- You are solely responsible for controlling the safekeeping of and access to your Personal Identification Number (PIN).
- If you want to terminate another individual's authority to use the online bill pay service, you must notify PARDA Federal Credit Union and arrange to change your PIN.
- You will be responsible for any bill payment request you make that contains an error or is a duplicate of another bill payment.
- PARDA Federal Credit Union is not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment.
- PARDA Federal Credit Union is not liable for any failure to make a bill payment if you fail to promptly notify us after you learn you have not received credit from a "Payee" for a bill payment.
- PARDA Federal Credit Union is not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be PARDA Federal Credit Union's agent.

### **FOREIGN COUNTRY TRANSACTIONS**

Residents living in a foreign country may not use Bill Payment Services. No payments may be made to merchants in foreign countries.

### **FEES**

PARDA Federal Credit Union does not currently charge a fee for using our bill payment service; however, if a charge for this service is imposed in the future, you will be notified at least 21 days in advance. Additional fees may be charged for certain services offered within the bill payment service such as expedited or rush payments, gift checks or charitable donations.

Please note that after 180 days of inactivity, you will be charged a monthly inactivity fee of \$5.00 and you may be removed from the online bill payment service.

### **TO OUR MEMBERS USING MOBILE DEPOSIT CAPTURE MEMBER ACCOUNT**

You will need to select a Credit Union savings or checking account as the settlement account to be used for the purposes of settling, in aggregate, the financial transactions requested in connection with Mobile Deposit Capture. PARDA Federal Credit will provide you with details of the specific transactions, reported similarly as other transactions may be done, that were a result of access to Mobile Deposit Capture. You are responsible for the auditing and balancing of any settlement account and agree to notify the Credit Union promptly of any discrepancy.

### **RESPONSIBILITY FOR IMAGING**

You are solely responsible for imaging deposit items, accessing the Mobile Deposit Capture service from PARDA Federal Credit Union and for maintaining your capture device. You are responsible for the payment of all telecommunications expenses associated with using Mobile Deposit Capture. PARDA Federal Credit Union shall not be responsible for providing or servicing any mobile device of yours.

### **HARDWARE AND SOFTWARE**

To use Mobile Deposit Capture, you must obtain and maintain at your expense, compatible hardware and software. PARDA Federal Credit Union is not responsible for any third-party software you may need to use the service. 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

provided at the time the software is downloaded and installed.

### **MOBILE DEPOSIT CAPTURE PROCESS**

You will capture checks or drafts (“items”) with capture device (“camera”) creating an electronic image and you will transmit an electronic file of such electronic images that the Credit Union will deposit to your account. PARDA Federal Credit Unions processing agent shall perform an image quality assessment of captured checks or items and shall convert items meeting the Credit Union’s required standards into substitute checks to facilitate the deposit and collection of such items. You agree to the manner in which items (i.e. substitute check, image exchange, ACH) are cleared or presented for payment shall be determined by PARDA Federal Credit Union, in its sole discretion. PARDA Federal Credit Union reserves the right to select the clearing agents through which the items are cleared. You agree to be bound by any clearinghouse agreements, operating circulars and image exchange agreements to which PARDA Federal Credit Union is a party.

In addition, you agree that you will not (1) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology of the Mobile Deposit Capture service, (2) copy or reproduce all or any part of the technology or Mobile Deposit Capture Service or (3) interfere, or attempt to interfere, with the technology or Mobile Deposit Capture service.

### **FUNDS AVAILABILITY**

Funds from items deposited through Mobile Deposit Capture will be available according to the Credit Union’s Funds Availability policy, as amended from time to time, which is incorporated herein by reference. For the purpose of establishing funds availability, your deposits via the Mobile Deposit Capture service are deemed to be received by the Credit Union at the time the system indicates a successful transaction is completed until 6:00 PM EST. Deposits received after 6:00 PM EST will be considered deposited on the next business day. For purposes of this agreement, business day is defined as Monday through Friday. Please allow 1 business day for deposit to post, excluding holidays and weekends. You agree the scanning and transmitting of checks does not constitute receipt by the Credit Union. In addition, acknowledgement of receipt or delivery does not constitute an acknowledgement by the Credit Union that the transmission of a check or items does not contain errors or that funds will be available.

### **DEPOSIT ACCEPTANCE**

You agree PARDA Federal Credit Union may at any time, in its sole discretion, refuse to accept deposits of checks or items from you via the Mobile Deposit Capture service. In the event the Mobile Deposit Capture service is interrupted or otherwise unavailable, you may deposit checks via ATM, in person at a PARDA Federal Credit Union branch location or shared branch location, by mail or other contractually acceptable method.

### **IMAGE QUALITY**

You agree each check submitted for deposit through the Mobile Deposit Capture service will meet the image quality standards established in American National Standards Institute’s standard X9.37. If an item does not meet PARDA Federal Credit Union’s image standards, we have the right to reject the deposit or the right to withdraw the deposit from your account after the transaction has been performed. We will attempt to notify you by phone or electronically; however, we will have no liability to you because of the rejection of any mobile deposit or the fact a notice of rejection is not given by the Credit Union in a timely manner.

### **INELIGIBLE ITEMS**

You agree you will not scan and transmit for deposit any of the following types of checks/items which shall be considered ineligible items:

1. Third-party checks (checks payable to any person other than you).
2. Previously returned checks.
3. Checks containing an alteration 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 is drawn.
4. Checks payable jointly, unless deposited into an account in the name of all payees.
5. Checks previously converted to a substitute check, as defined in Regulation CC.
6. Checks drawn on a financial institution located outside of the United States.
7. Checks that are remotely created checks, as defined in Regulation CC.
8. Checks not payable in United States currency.
9. Checks dated more than 6 months prior to the date of deposit.
10. Checks dated after the deposit date.
11. Checks drawn on the same account that the deposit is going to.
12. Checks or items prohibited by the Credit Union’s current procedures

related to the services which are otherwise not acceptable under the terms of your credit union account.

13. Checks payable on sight or payable through Drafts, as defined in Regulation CC.
14. Checks with any endorsement on the back other than that specified in this agreement.
15. Checks that have previously been submitted through the Mobile Deposit Capture service or through a remote deposit capture service offered at any other financial institution.
16. Checks that are prohibited by the Credit Union’s current Membership Agreement.
17. Checks that are in violation of any federal or state law, rule or regulation.

### **ENDORSEMENT**

Mobile Deposit Capture requires you to create an image of the front and back of the check being deposited. The front of the check must be complete with the name of the payee, date, the amount in numeric and legal written form and endorsed by the payer.

You agree to legibly endorse the back of any item transmitted through the Mobile Deposit Capture service in the following manner: “For Mobile (or Remote) Deposit Only. “

You understand and acknowledge PARDA Federal Credit Union reserves the right to not accept the item for deposit if it is not endorsed according to this agreement.

### **LIMITATIONS ON FREQUENCY AND DOLLAR AMOUNT**

For security purposes, there are daily limits on the dollar amount of checks and/or the number of checks that can be deposited using the Mobile Deposit Capture service. We believe the current amount provides sufficient access for the majority of our members. If you experience an issue with a specific deposit, please contact our Member Solutions Center at 800-860-5640 for assistance.

### **CHECK RETENTION AND DESTRUCTION**

Upon your receipt of confirmation PARDA Federal Credit Union has received the image you have transmitted, you agree to retain the original of all imaged items that have been deposited through the Mobile Deposit Capture service for at least forty-five (45) days

from the date the item has been transmitted and received by the Credit Union. After forty-five (45) days you agree to properly destroy and dispose of the original items. During the period you maintain the original items, you understand and agree you must use a high degree of care to protect these items against security risks. These risks include, without limitation, (1) theft or reproduction of the original items (including by employees) for purposes of presentment for deposit of these original items (i.e. after the original items have already been presented for deposit through the Mobile Deposit Capture service) and (2) unauthorized use of information derived from the original items. When you destroy and dispose of the original items pursuant to the requirements of this Agreement, you understand and agree you must use a high degree of care when selecting and implementing destruction and disposal procedures. Among other things, these procedures must be designed to ensure the original items are not accessed by unauthorized persons during the destruction and disposal process and, once destroyed, the original items are no longer readable or capable of being reconstructed (i.e. through the use of competent shredding equipment).

#### **PRESENTMENT PROHIBITIONS**

You shall not present, or attempt to present, or allow others, either directly or indirectly, to present or attempt to present, for deposit by any means (1) any Substitute Check which has already been presented for deposit through the Mobile Deposit Capture service or (2) any original check, the substitute check of which has already been presented for deposit through the Mobile Deposit Capture service. In the event you or any third party, presents, or attempts to present, a deposit in violation of this subsection you agree to defend, indemnify, and hold PARDA Federal Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits or demands brought by third parties with respect to any such Substitute Check or original check. You agree the aggregate amount of any items which are deposited more than once will be debited from your account, and to the extent funds in your account are insufficient to cover such amount, any balance shall be debited by PARDA Federal Credit Union from any other deposit accounts with the Credit Union in its sole discretion. You further acknowledge you and not PARDA Federal Credit Union are responsible for the processing and handling of any original items which are imaged and deposited using the Mobile Deposit Capture service and you assume all liability to the drawer of any

item imaged using the Mobile Deposit Capture service or liability arising from the Credit Union's printing of any substitute check from those images.

#### **YOUR REPRESENTATIONS AND WARRANTIES**

You make the following warranties and representations with respect to each image or an original item you transmit to us utilizing the Mobile Deposit Capture service:

1. You will comply with all federal and state laws, and rules and regulations applicable to Mobile Deposit Capture transactions.
2. All items captured/scanned through image transport are made payable to you, a joint owner on the account the item is being deposited into or PARDA Federal Credit Union.
3. That all signatures on each item are authentic and authorized.
4. You will not transmit duplicate items.
5. That each check has not been altered.
6. The amount, payee, signature(s), and endorsement(s) on the original item are legible, genuine and accurate.

In the event you breach any of these representations or warranties, you agree to defend, indemnify and hold PARDA Federal Credit Union and its agents harmless from and against any liability, damages and loss arising out of any claims, suits or demands brought by third parties with respect to any such breach. You further authorize PARDA Federal Credit Union to charge your account (or any account in which you have an ownership interest, regardless of the source, unless prohibited by law) for the amount of any such demand, claim or suit that constitutes a breach of warranty claim under the provisions of the Uniform Commercial Code.

#### **FINANCIAL RESPONSIBILITY**

You are solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds, associated with accessing the Mobile Deposit Capture service. PARDA Federal Credit Union shall not be liable in any manner for such risk unless the Credit Union fails to follow the procedures described in this Agreement and in other materials provided to you regarding the use of Mobile Deposit Capture. You assume exclusive responsibility for the consequences of any instructions you may give PARDA Federal Credit Union, for your failure to access the Mobile Deposit Capture service properly in a manner prescribed by the Credit Union and for your failure to supply accurate input information.

#### **ACCOUNT RECONCILIATION**

You agree you will verify and reconcile any out-of-balance condition and promptly notify the Credit Union of any errors within the time periods established on page 1 of this agreement (excluding weekends and applicable holidays) after receipt of the applicable detail report from the Credit Union. If notified within such period, the Credit Union shall correct and resubmit all erroneous files, reports, and other data at the Credit Union's then standard charges, or at no charge, if the erroneous report or other data directly resulted from the Credit Union's error.

#### **RETURNED ITEMS**

You will be provided with an image of the returned item. You are responsible for the immediate reimbursement and payment to the Credit Union of all returned items if we have provided you a credit for the item. You shall indemnify and hold PARDA Federal Credit Union harmless for any losses suffered by us of any kind or nature with respect to a returned item.

#### **DEPOSIT ADJUSTMENTS**

Errors may occur in transmitting the amount of the check(s) being deposited through Mobile Deposit Capture. PARDA Federal Credit Union has the right to adjust the reported amount of any item to reflect the actual amount of the item being deposited. This adjustment may occur at any time after your deposit through the Mobile Deposit Capture service is made during the settlement and collection process. We will give you notice by phone or electronically of any adjustment made to any item; however, you are responsible for verifying the amount of each item accepted and credited to your account by the Credit Union.

#### **PARDA Federal Credit Union's Obligations**

#### **DISCLAIMER OF LIABILITY**

YOU AGREE YOUR USE OF THE MOBILE DEPOSIT CAPTURE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR OWN 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 SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. THE CREDIT UNION DISCLAIMS ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR

FUNCTIONALITY OF THE SERVICE (INCLUDING, WITHOUT LIMITATION, THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). YOU ACKNOWLEDGE THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATION WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. YOU HEREBY ASSUME ALL RISKS RELATING OF THE FOREGOING.

#### **LIMITATION OF LIABILITY**

YOU AGREE PARDA FEDERAL CREDIT UNION 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 THE SERVICE 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 THIS SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF PARDA FEDERAL CREDIT UNION HAS BEEN INFORMED OF THE POSSIBILITY THEREOF. THE CREDIT UNION'S LICENSORS OR SUPPLIERS WILL NOT BE SUBJECT TO ANY LIABILITY TO YOU IN CONNECTION WITH ANY MATTER.

#### **FINANCIAL DATA**

The Credit Union agrees to transmit all the financial data under its control required to utilize the service selected by the member and to act on appropriate instructions received from the member in connection with such service. The Credit Union shall exercise due care in seeking both to preserve the confidentiality of the user number, password, test key, or other code or identifier and to prevent the use of the service by unauthorized persons (and in this connection it is understood and agreed that implementation by the Credit Union of its normal procedures for maintaining the confidentiality of information relating to its members, and where practicable the obtaining by the Credit Union from any third parties engaged in the installation,

maintenance and operation of the system of similar undertakings, shall constitute fulfillment of its obligation to exercise due care) but shall not otherwise be under any liability or have any responsibility of any kind for any loss incurred or damage suffered by the member by reason or in consequence of any unauthorized person gaining access to or otherwise making use of the Mobile Deposit Capture service. The member assumes full responsibility for the consequences of any misuse or unauthorized use of or access to the Mobile Deposit Capture service or the disclosure of any confidential information or instructions of the member by the member's employees, agents, or other third parties.

#### **EXCEPTION ITEMS**

When the Credit Union reviews and processes your electronic file, we may reject any electronic image we determine to be ineligible for the Mobile Deposit Capture service ("Exception Item") including, without limitation, electronic images of items drawn on banks located outside of the United States, items drawn on U.S. Banks in foreign currency, electronic images that are illegible (due to poor image quality or otherwise), electronic images of items previously processed, electronic images previously converted to substitute checks, and electronic images with unreadable MICR information. We will notify you of any Exception Items. You agree if you wish to attempt to deposit any Exception Item to any account with PARDA Federal Credit Union, you shall only do so by depositing the original item. You acknowledge and agree that even if the Credit Union does not initially identify an electronic image as an Exception Item, the substitute check created by us may nevertheless be returned to us because the electronic image is deemed illegible by a paying bank.

#### **FEES**

PARDA Federal Credit Union does not currently charge a fee for using mobile deposit capture; however, if a charge for this service is imposed in the future, you will be notified at least 30 days in advance. You agree to pay all fees and charges for deposit services as outlined in PARDA Federal Credit Union's fee schedule. Fees are subject to change at the discretion of the Credit Union and you will be notified at least 30 days in advance.

#### **WARRANTIES AND DISCLAIMER OF WARRANTIES**

By using Mobile Deposit Capture you are converting an original check to a substitute check. Therefore, you understand and agree you are responsible, to the extent permitted by law, for all warranties and indemnifications set forth in Check 21 applying to any Reconverting Credit Union and Truncating Credit Union, as such terms are defined by Check 21, including, without limitation, the obligation to only convert an original check that allows for the creation of a substitute check that clearly and accurately represents the information on the front and back of the original check. PARDA Federal Credit Union and its agents may, but shall have no obligation, to screen items or Substitute Checks for legal compliance. You agree to defend, indemnify and hold PARDA Federal Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to any such substitute checks.

#### **REGULATORY AUTHORITY**

These disclosures are required by State and Federal laws governing electronic fund transfers. If you have any questions about your rights under these laws or you believe that your legal rights have been violated, you may contact the following agency:

**National Credit Union Administration**  
**1775 Duke Street**  
**Alexandria, VA 22314-3428**