

Kerr County Federal Credit Union

Online Banking/Bill Pay Agreement and Disclosure

This Online Banking Agreement and Disclosure (the Agreement) explains the terms and conditions governing basic Online Banking Services (the “Services” or “Online Banking”) offered by Kerr County Federal Credit Union (KCFCU). By using our Services, you agree to abide by the terms and conditions of the Agreement. For clarity, the terms, “we”, “us”, “our” and “Credit Union” mean Kerr County Federal Credit Union (KCFCU). “You”, and “your” mean each Account owner, any joint Account owner, any person authorized by an Account owner to use the Services and any individual to whom you have given your access codes and any individual person that we permit to use the Services, subject to the terms of this Agreement.. “Account” means a qualifying deposit, loan or other Account for which transactions may be performed using our Online Banking service. “Online” means through the Internet by use of a personal computer or other screen-based electronic device.

Except as provided in this Agreement or in any other agreement you have with us, this Agreement is in addition to any other agreements that apply to your Accounts and any other services you obtain from us. In the event of a conflict or any inconsistency between this Agreement and any other agreements you have with us, the terms of the other agreements will prevail unless this Agreement specifically provides otherwise. Your use of the Services constitutes your agreement to be bound by the terms and conditions in this Agreement, and acknowledges your receipt and understanding of this Agreement.

Please read this Agreement carefully. By requesting and using one of these Services, you agree to comply with the terms and conditions of this Agreement.

Access to view and print copies of Kerr County FCU’s Online Banking Disclosure and Agreement, the Mobile Banking Disclosure and Agreement, and the Remote Deposit Capture Disclosure and Agreement can be found on our website, www.kerrcountyfcu.com under disclosures.

Enrollment

Each person must enroll in the Services to have access to his or her accounts. Only existing members can enroll for the Services. Only accounts on which you are an owner will be accessible.

Computer Requirements

Access to the Services will be provided Online through the Worldwide Web of the Internet. You are solely responsible for acquisition, set-up, installation, operation, and maintenance of any required computer hardware, software, and other equipment necessary to access the Services. You must have an Internet access plan and/or a wireless service plan to access the Services, and you are responsible for all costs, fees, and expenses related to your Internet access and service plans, including without limitation, data charges and fees. The Services may not be available through some networks or in all locations. Your browser must support at least 128-bit encryption. We are not responsible for the cost of upgrading your equipment to stay current with the Services. We are not responsible for any errors or failures from any malfunction of your computer and we are not responsible for any computer virus or related problems that may be associated with the use of your computer. You may access your Online Accounts 24 hours a day,

seven (7) days a week. However, availability of the Services may be suspended for brief periods of time for purposes of maintenance, updating and revising the software.

Charges

As a user of the Services, you currently will not be charged a fee, however, the Credit Union may charge fees for the Services in the future, after any notice required by applicable law. For other charges applicable to your deposit account, refer to your Truth-In-Savings Disclosure.

Communicating about Your Account

You will continue to receive a paper version of your statement and other regulatory required documents via postal mail unless you choose to opt-in to paperless communication.

Password and Security

Once you have signed up for the Services, an email will be sent to you with further instructions on how to access the Services. You will then be required to change your password.

You will also be asked to pick an authentication image and answer several challenge questions. The challenge questions should be questions only you would know how to answer. If you log in from a different computer, we will ask one of your challenge questions before showing the image and allowing you to log in.

You are responsible for keeping your password and Online Account information confidential. In order to protect yourself against fraud, you should adhere to the following guidelines:

- Do not give out your account information, Password, or User ID;
- Do not leave your Internet enabled Device unattended while you are in KCFCU Online Banking Site;
- Never leave your account information within range of others; and
- Do not send privileged account information (account number, Password, etc.) in any public or general e-mail system.

Do not disclose your password to anyone. If, despite the Credit Union's advice, you give your password to anyone, you do so at your own risk. Anyone with access to your password or other means of account access will have full access to your accounts, even if those accounts are in your name with another person and even if the other person exceeds the authority you intended or agreed upon. You are responsible for all payments you authorized using the Services. If you permit other persons to use the Services or your password or other means to access your account, you are responsible for any transactions they authorize. If you believe that your password or other means to access your account has been lost or stolen, or that someone may attempt to use the Service without your consent or has transferred money without your permission, you must notify KCFCU at once.

None of our employees or employees of our affiliates will contact you via phone, e-mail, or text messaging requesting your password or information about your Accounts. If you are contacted by anyone requesting this information, do not provide any information and please contact us immediately at our phone number shown in the section below entitled Notify us IMMEDIATELY for Unauthorized Transactions.

Kerr County Federal Credit Union is entitled to act on instructions received through Online Banking under your password and without inquiring into the identity of the person using the password. Kerr County Federal Credit Union has no responsibility for establishing the identity of any person using your password.

Protecting Your Personal Information

In addition to protecting your passwords, you should also take precautions to protect your personal identification information, such as your driver's license, Social Security number, or tax identification number. This information by itself or together with Account information may allow unauthorized access to your Accounts. You should treat personal identification information with the same level of care that you would for your Account information. You should also protect and secure all information and data stored in any personal computer or other equipment you use to access our Online Banking Services. You agree to maintain up-to-date anti-viral software on your computers and other devices you use to access the Services.

Wireless Security

You understand that wireless communications may not be encrypted and that there are risks in accessing the Services with wireless devices. Subject to applicable law, you expressly agree to assume all such risks. Wireless communications may not be confidential or secure. Accordingly, you agree to exercise precautions to safeguard your wireless devices, your identity, your Accounts, and your Account information. You agree never to provide your personal information or Account information to any person or through any wireless network you do not know or whose identity you cannot verify. If you do, you assume all risks, subject to applicable law. You agree to remain vigilant for phishing and other fraudulent scams and notify us promptly if you become aware of or suspect fraudulent activity involving your identity, your Accounts, or the Credit Union. You agree to notify us immediately if your wireless device is lost, stolen, or destroyed or if you change your telephone number, email address, or other contact information. If you fail to exercise reasonable care to protect your identity and safeguard your wireless devices and your Accounts, we will not be liable, subject to applicable law.

Software License

We may provide software in connection with some of the Services ("Software"). You acknowledge that the Software is the property of the Credit Union or its licensors and is protected by copyright law. The Credit Union grants to you a limited, personal, non-exclusive, non-transferable license to download and install the Software solely to access and use the Services, subject to the terms of this Agreement and any future amendments. You acknowledge that all right, title and interest in the Software is owned and retained by the Credit Union or its licensors and that the software is not sold to you. Your rights to the Software are strictly limited by this Agreement, and the Credit Union and its licensors reserve all rights not expressly granted herein. You may not, nor may you permit any third party to: (a) sublicense, rent, lease, transfer, sell, or redistribute the Software or any portion thereof, (b) reverse engineer, decompile, disassemble, modify, create derivative works of, or attempt to derive the source code of the Software or

any portion thereof, or (c) use the Software or any portion thereof in any manner prohibited under this Agreement.

Prohibited Uses

You may not use the Services or the Software in any manner that violates this Agreement, the rights of a third party, or applicable law. Prohibited uses include, without limitation, uses that (a) infringe or violate the privacy or proprietary rights of the Credit Union or a third party, (b) interfere with or disrupt use of the Services by other users, (c) interfere with or disrupt one or more computer networks connected to the Services, (d) involve fraudulent or other illegal transactions or activity, including but not limited to false, misleading, or deceptive acts, and (e) access or attempt to access any computer systems or parts thereof not expressly authorized by this Agreement. In addition, you may not use the Services from any location where the content provided by the Services or use of the Services is illegal, and you assume all responsibility and risk of loss if you do so. You acknowledge that the Software may be subject to U.S. export controls and other trade and use restrictions, and you agree to comply with all provisions of U.S. law and other applicable law.

Qualifying Accounts

We will tell you which of your Accounts qualify for our Online Banking services. Not all Accounts are eligible. Any Account requiring more than one signature for withdrawal, draw or transfer of funds does not qualify. You agree to provide us with any authority we require before we permit access to any qualifying Account.

Using Our Online Banking Services

Please refer to the online help and instructions on our website at www.kerrcountyfcu.com on how to use our Online Banking Services. These instructions are part of this Agreement.

If you should experience an interruption while conducting a transaction using the Services, you should immediately log out of the Services and login again to verify whether the transaction was completed. If you cannot login to the Services, you agree to contact us promptly to determine if the transaction was completed. In order to avoid duplicate transactions, you agree not to re-request a transaction performed during an interrupted session. If you conduct a duplicate transaction payable to a third party, we will not be responsible if the third-party refuses to refund the duplicate transaction amount.

The Services may be inaccessible for brief periods each week for system maintenance and other necessary downtime. We will attempt to limit interruptions to the Services, but we are not responsible for failure to provide the Services due to system maintenance, other necessary downtime, or any unforeseen acts or circumstances outside of our control.

Types of Online Banking Services

You, or someone you have authorized by giving them your password (even if that person exceeds your authority), can instruct us to perform the following transactions:

Transfer funds between Accounts;

Obtain information that we make available about qualifying Accounts;

Schedule bill payments and e- payments to certain payees, and
Obtain other services or perform other transactions that we allow.

Authorization for Services and Release

You authorize us to make Account transfers, bill payments, e-payments and to take any other action to provide the Services under this Agreement. You release Kerr County Federal Credit Union from any liability and agree not to make any claim or bring any action against us for striving to carry out the requests made through the Online Banking service under your password.

Preauthorized Recurring Fund Transfers

To the extent we make them available, you authorize us to establish preauthorized recurring fund transfers in accordance with the requests you make for us to do so. We will only allow preauthorized recurring fund transfers that do not vary in amount. See the terms below for information on how to stop preauthorized recurring transfers.

Preauthorized credits

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, we will let you know if the deposit is [not] made.) [the person or company making the deposit will tell you every time they send us the money] [you can call us at 1-800-491-9594 to find out whether or not the deposit has been made].

Electronic Mail (E-mail)

If you send KCFCU an e-mail message, KCFCU will be deemed to have received it on the following business day. You should not rely on e-mail if you need to report an unauthorized transaction from one of your accounts or if you need to stop a payment that is scheduled to occur.

NOTE: E-mail transmissions outside of the Online Banking site are not secure. We advise you not to send us or ask for sensitive information such as account numbers, password, account information, etc. via any general or public e-mail system.

KCFCU will not respond to sensitive information via non- secure email

Funds Transfer Limitations

You must have enough available money or credit in any Account from which you instruct us to make a transfer. All transfers must be in U.S. Dollars.

For security reasons, we may implement limits on the number or amount of transactions you can make using our Online Banking services. We also reserve the right to limit or suspend access to our Online Banking services as we deem necessary for security reasons. We may also limit access from countries other than the United States of America.

Some of the transfers permitted through our Online Banking services may be governed by the Electronic Funds Transfer Act (the "EFTA") and some of the terms and conditions of this Agreement are disclosures required by the EFTA. For example, if any qualifying Accounts are savings deposit Accounts, certain types

of withdrawals from those Accounts, including certain payments and transfers, are limited to a total of no more than 6 in any specified period. The specified period for deposit Accounts is a calendar month. The kinds of withdrawals covered by this limitation are those made by means of preauthorized or automatic transfers or withdrawals, including transfers by telephonic agreement, order or instruction. Except for automatic or preauthorized transfers to make payments on your loans with us, Online Banking transfers and withdrawals from qualifying deposit Accounts are included in this limitation. Transfers made in person are not subject to limitation. Commercial account holders are not covered by the EFTA and therefore certain provisions will not be applied to commercial accounts.

When Online Funds Transfers Are Made

External Transfers

External Transfers refers to a transfer from or to another financial institution. These transfers may not be final at the time we receive your instructions, but we will begin to process them promptly. You should allow at least 1 business day for us to process transfers. Transfers submitted by 5 p.m. Central Time on a business day will be processed on that business day. After 5 p.m. Central Time or on a non-business day the transfer will be completed the next business day.

Internal Transfers

Internal Transfers are processed real time. This means each transfer will be posted to any Account with us from which it is made, and to any other Account with us that is involved in the transaction, on the business day on which the transfer is made. The only exception to this is when the Online system is down for service or updates. In this instance, the transaction will be processed in batch mode when the system comes back online.

Information you obtain about your Accounts using our Online Banking service may not reflect transactions that have not yet been posted to your Accounts. You should keep that in mind when you perform or attempt to perform any transactions on the basis of such information.

Stopping or Changing Transfers

If you want to stop or change transfers you have instructed us to make, you must notify us before we have started processing the transaction. This applies to both individual transactions as well as preauthorized recurring transactions. The normal way to do this is for you to access the appropriate function in our Online Banking service no later than the day before the business day the transfer is scheduled to be made, and either delete it or make the change.

You may also call or write us at:

1-800-491-9594

Mailing Address:

Kerr County Federal Credit Union
3700 Memorial Blvd.
Kerrville, TX 78028

You may also use any electronic stop payment method which we provide for this purpose. If you call or write, you must do this in time for us to receive your request 3 business days or more before the transfer is scheduled to be made. If you call, we may also require you to put your request in writing (email is not acceptable) or use the online form and get it to us within 14 days after you call.

If a preauthorized recurring transfer from a consumer Account may vary in amount, [we] [the person you are going to pay] will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

If you order us to stop a preauthorized recurring transfer from a consumer Account as described above, and we do not do so, we will be liable for your losses or damages to the extent provided in this Agreement.

Account and Routing Numbers

It is your responsibility to provide accurate information to us. If your transfer instructions identify a financial institution by name and routing number and/or by the recipient's name and account number, we and the receiving financial institution may execute your instructions by reference to the numbers provided only, even if the number does not correspond to the name provided. You understand that neither we, our service provider, nor the receiving financial institution have any responsibility to investigate discrepancies between account names and numbers and we are not required to do so.

Statements

Your funds transfers will be indicated on the monthly statements we provide or make accessible to you for the Accounts with us that are involved in the transaction. We may also provide or make accessible to you statement information electronically or by some other means. You agree to notify us promptly if you change your address or if you believe there are any errors or unauthorized transactions on any statement or in any statement information. For Consumer Accounts, see the section below entitled "In Case of Errors or Questions About Transactions Involving Consumer Accounts" for more information.

Bill Payment Services

Description of Service

The Bill Payment Service permits you to use your Internet-enabled device to direct payments from your designated online Bill Payment Account to third parties you wish to pay. Your Bill Payment Account must be a primary checking account. You may make payments through Bill Payment Service ("SERVICE") to any business, person or professional ("PAYEE") that has an address which can be verified. Bill Payments ("BILL PAYMENTS") may be made only to Payees with a United States payment address. SERVICE reserves the right to refuse to accept any bill payment transaction. All payments you make will be deducted from the checking account that you designate as your Bill Payment Account for the Bill Payment Service.

Using the Bill Payment Services and Prohibited Payees

With the Bill Payment Service, your bill payment history may be viewed for up to seven (7) years. You may not use the Bill Payment Service to pay bills for persons or entities other than the Account owner(s). You must be in good standing with the Credit Union to use the Bill Payment Service. Using the Service, you may set up your own personal database of payees and establish one-time or recurring payments to your payees. When you add payees to the Bill Payment Service, you must enter your Account number with the payee and the payment address exactly as those items appear on your payment stub, statement, or invoice. You agree to keep the payment data for each of your payees up to date at all times. In order to process your bill payments more efficiently, we may edit or alter the payment data you provide to us in accordance with standards and directives of the U.S. Postal Service and the payee. We are not responsible for errors in payment data.

You may not use the Bill Payment Service to make the following specific types of payments that are prohibited: (i) tax payments; (ii) court-ordered payments (for example, alimony, child support, and traffic ticket payments); (iii) government payments; (iv) payments to payees with an address outside the United States, except for payees with a U.S. armed forces or U.S. diplomatic postal code (v) payments for any illegal purpose, and (vi) payments in currencies other than U.S. dollars. We may establish additional categories of prohibited payees by notifying you. If we inadvertently process a payment to a prohibited payee, we may refuse to process future payments to that payee. Bill payments will be made in U.S. dollars only and may be requested for a minimum of \$1.00, a maximum of \$2,500.00 per payment and a maximum of \$4,000.00 total payments per day. We reserve the right to decline to pay any payee to whom you direct a payment, including a payee appearing on any list of the United States Office of Foreign Assets Control or if we suspect or believe in good faith that the payment is fraudulent. If we decline to accept a payee you have designated, we will attempt to notify you within two business days of the processing date you have designated, except in the case of the specific prohibited payments as set forth in this paragraph.

Bill Payment Procedure

One-time bill payments and recurring bill payments may be scheduled up to one year in advance. If you arrange for a one-time or recurring bill payment and the scheduled processing date for any payment falls on a day we are not open for business (generally a weekend or a federal holiday), the payment will be processed either on our next business day or previous business day based on your instructions when setting up the reoccurring payment.

By providing the Bill Payment Service with the names and account information of those persons or entities to which you wish to make a payment, you authorize the Service to follow the payment instructions received from you. When the Bill Payment Service receives your payment instruction, you authorize the Credit Union and its service providers to deduct the funds from your designated Checking Account on or after the processing date you have designated. Normally, the funds are withdrawn from your Account immediately in real time when you make or schedule a payment, but the withdrawal can occur at any time on or after the processing date. Once a bill payment has been scheduled, you agree to maintain sufficient available funds in your Checking Account to fund the bill payment at any time on or after the processing date. You may receive email messages from our service providers regarding questions or clarifications about your bill payments, and you agree to regularly monitor your email address on file with us for such messages.

You authorize us and our service providers to choose the most effective method to process and present your bill payments, whether electronically, by paper check, or by other means. Electronic payments will typically reach the payee faster than check payments, but not all payees can receive electronic payments.

You must schedule the processing date for a bill payment far enough in advance for the payment to reach the payee by the actual payment due date, generally at least three business days in advance for electronic payments and at least five business days in advance for payments using a paper check. When you choose a processing date for a bill payment, the bill payment system will provide an expected “deliver by” date. You agree to schedule bill payments so that the provided “deliver by” date is on or before the actual payment due date, and not during any courtesy or grace period designated by the payee. Because there may be delays in posting a payment once it reaches a payee, we are not responsible if your payments are not posted on time due to delays of the payee or its designee, even if the payee receives the payment by the actual payment due date.

TO ENSURE THAT YOUR BILL PAYMENTS ARE POSTED ON TIME, YOU AGREE TO MONITOR YOUR BILL PAYMENTS AND ACCOUNTS TO DETERMINE THE LENGTH OF TIME FROM PAYMENT PROCESSING TO PAYMENT POSTING AND, IF NECESSARY, ADJUST THE TIMING OF FUTURE BILL PAYMENTS ACCORDINGLY.

We also are not responsible for delays resulting from circumstances outside of our control such as weather, labor strikes, and U.S. Postal Service delays. For critical payments such as mortgage loan payments, we recommend scheduling the processing date so that the expected “deliver by” date is at least a few business days before the actual payment due date.

Scheduling Payments

Single Payments: A single payment will be processed on the business day (generally Monday through Friday, except certain holidays) that you designate as the payment’s process date, provided the payment is submitted prior to the daily cut-off time on that date. The daily cut-off time, which is controlled by the Credit Union, is currently 5:00 PM Central Standard Time. A single payment submitted after the cut-off time on the designated process date will be processed on the following business day. If you designate a non-business date (generally weekends and certain holidays) as the payment’s process date, the payment will be processed on the first business day following the designated process date.

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

If the recurring payment’s “Pay Previous Day” option is selected, the process date for the new occurrence of the payment is adjusted to the first business date prior to the calculated process date.

If the recurring payment’s “Pay Next Business Day” option is not selected the process date for the new occurrence of the payment is adjusted to the first business date after the calculated process date.

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

For Single and Recurring Payments, YOU MUST ALLOW AT LEAST FIVE (5) BUSINESS DAYS, PRIOR TO THE DUE DATE, for each bill payment to reach the Payee. Any bill payment can be changed or canceled, provided you access the Bill Pay Service prior to the cut-off time on the business day prior to the business day the bill payment is going to be initiated.

KCFCU reserves the right to change the cut-off time. You will receive notice if it changes.

Bill Payment Processing, Cancelling a Bill Payment and Insufficient Funds

If you have scheduled a Bill Payment or E-Payment and would like to cancel the payment, you must do so before the payment is processed. You may not change or delete a bill payment transaction after processing has begun, but one-time and recurring bill payments may be cancelled through the Bill Payment Service if they are cancelled before processing has begun. Recurring bill payments also may be cancelled by notifying us orally or in writing at the telephone number or address listed below in this Agreement at least three business days before the scheduled processing date. If you call us, we may require that you put your request in writing (email is not acceptable) and get it to us within 14 days. If you are cancelling a recurring payment orally or in writing, we may require you to cancel the authorization for all recurring payments to the payee. You may always establish a new recurring payment at a later time if you wish. Same-day bill payment requests entered after our cutoff time of 5 p.m. Central Time on business days we are open, or at any time on any days we are not open, will not be processed until our next business day.

Sufficient funds must be available in your Checking Account, and if necessary, from any overdraft protection sources, on and after the processing date. Applicable service charges will apply for insufficient funds and for accessing overdraft protection sources. If funds are not available to process your bill payment, we or our service provider will notify you, usually within two (2) business days. In such cases, you will be responsible for making alternate payment arrangements or rescheduling the bill payment through the Service. If a bill payment cannot be processed due to insufficient funds, no additional bill payments (scheduled or unscheduled) will be processed until your Account is adequately funded and any outstanding returns have been cleared. We may close your Checking Account and terminate or suspend the Bill Payment Service without notice to you if there are six occurrences of insufficient funds involving bill payments during any rolling 12-month period. An occurrence is defined as one day. By way of illustration, three instances of insufficient funds in one day will count as one occurrence. You are responsible for any late payment fees, interest, and other charges your payee may impose if your bill payment is late or not received due to any processing problems caused by you, including insufficient funds. Your Account may be referred to a collection agency if you do not promptly settle any outstanding returned payments on your Account.

For each properly instructed payment, you will receive a transaction confirmation number. IF YOU DO NOT RECEIVE A TRANSACTION CONFIRMATION NUMBER, WE WILL NOT BE RESPONSIBLE FOR ANY FAILURE OR DELAY IN MAKING PAYMENT, INCLUDING ANY FINANCE CHARGES OR LATE FEES INCURRED.

If a bill payment check or an electronic bill payment is not cashed or deposited or otherwise claimed by the payee within 90 days of issuance, we may place a stop payment on the payment and it may not be paid. In such case, the bill payment will be refunded to your Account and you will be responsible for satisfying any payment obligation you have to the payee. You additionally authorize the Credit Union to credit your Checking Account for any bill payment returned to us by the U.S. postal service or by any other party.

You agree to maintain a valid and current email address and a daytime contact telephone number on file with us for communication purposes regarding bill payment issues such as payment errors or questions. In the event that a payment is unable to be processed due to an error with the information provided by

you or the payee, we will repost any drafted funds to your Account and notify you by email that the payment was not processed. It is your responsibility to regularly check your bill payment history, email account, and telephone voice mail for any messages from us regarding bill payments or reposted payments to your Account. You may be required to resubmit a bill payment request with updated payee or account information if we cannot complete a payment with the information you have provided.

Terminating the Bill Payment Service

You may terminate the Bill Payment Service at any time by notifying us. Termination will be effective not later than the first business day following our receipt of your notice. You are responsible for all payments you have requested and charges and fees incurred prior to termination. When Bill Payment is terminated, any prescheduled bill payments made through Online Banking will also be terminated. We are not responsible for processing scheduled payments not cancelled before termination.

We may suspend or terminate your Bill Payment Service without notice (i) if there is no bill payment activity in 60-day period, (ii) if your designated Checking Account is closed for any reason, (iii) if there is unauthorized use on your Account, (iv) if you do not comply with this Agreement, the agreement governing your deposit or loan accounts or your accounts are not maintained in good standing, or (v) if there are excessive instances of insufficient funds or for other reasons related to not maintaining your Account in good standing, as determined by us in our sole discretion. We may close your Checking Account and terminate the Bill Payment Service if there are six occurrences of insufficient funds during a rolling 12-month period. Bill payments scheduled before suspension or termination may be processed unless you cancel them by notifying us in writing. You are responsible for all amounts paid on your behalf and applicable fees and charges. We are not responsible for processing scheduled payments that have not been cancelled. If your access to the Bill Payment Service is terminated due to no activity in a 60-day period, we will permit you to re-enroll one time thereafter.

For Assistance or Errors Related to the Bill Payment Service

If you have questions, need assistance, or need to report an error related to the Bill Payment Service, please contact us at:

1-800-491-9594

Mailing Address:

Kerr County Federal Credit Union

3700 Memorial Blvd.

Kerrville, TX 78028

No Duty to Monitor Payments

KCFCU is only responsible for exercising ordinary care in processing and sending payments upon your authorization in accordance with this Agreement. KCFCU will not be liable in any way for damages you incur for any of the following reasons:

- Insufficient funds in your Bill Payment Account to make the payment on the processing date
- Delays in mail delivery

- Changes to the payee's address or account number unless we've been advised of the change in advance
- The failure of any payee to correctly account for or credit the payment in a timely manner
- Any other circumstances beyond the control of KCFCU

No Signature Required: When any payment or other online Service generates items to be charged to your account, you agree that we may debit your Bill Payment account without requiring your signature on the item, and without prior notice to you.

Liability for Transaction

If a transfer to or from your account is not completed on time or in the correct amount, according to our agreement with you, we will be liable for your losses or damages. However, there are exceptions. We will NOT be liable, for instance:

If, through no fault of ours, you do not have enough available money in the Account from which a transfer is to be made, or if the Account has been closed or is not in good standing, or if we reverse a transfer because of insufficient funds.

If any transfer would go over the credit limit on your overdraft line.

If you do not obtain a confirmation number at the time you initiate a Bill Payment.

If your equipment or ours was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.

If you have not given us complete, correct or current Account numbers or other identifying information so that we can properly credit your Account or otherwise complete the transaction.

If you do not properly follow our instructions or if you provide us with wrong or inaccurate information or fail to correct or tell us about any inaccuracy of which you are aware.

If you have not properly followed any applicable instructions regarding your personal computer or mobile device, or Internet or cellular data access, or Service instructions we have provided or made available to you.

If your personal computer or mobile device fails or malfunctions or the Services were not properly working and such problem should have been apparent when you attempted the transaction.

If you do not instruct us soon enough for your transfer to be received and credited.

If the money in the Account from which a transfer is to be made is subject to an administrative hold, legal process or other claim restricting the transaction.

If the error was caused by a system beyond our control, such as that of your Internet or cellular data access provider.

If circumstances or persons beyond our control prevent, delay, intercept, or alter the transaction, despite reasonable precautions that we have taken.

If we have reasonable cause to believe that the transaction may be fraudulent.

If you have closed the Account to or from which the transfer was to be made.

There may be other exceptions stated in our other agreements with you.

- If the money in your account is subject to legal process or other encumbrances restricting transfer;
- If the Online Banking service was not working properly when you started the transfer

Errors and Questions

In case of errors and questions about your electronic transfers, you should contact us as soon as possible. If you think that your statement is wrong or you need more information about a transfer listed on the statement, you must notify us no later than sixty (60) days after we sent the first statement on which the problem or error appeared.

- Tell us your name and account number
- Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign- initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If you experience a problem or have a question about transactions completed using Internet Banking Services please call us at:

800-491-9594; 830-896-6800

Or

Write us at:

Kerr County FCU
3700 Memorial Blvd
Kerrville, TX 78028

The full disclosure for the error resolution procedures concerning electronic transfers is provided to you in the account brochures provided to you when you opened your account and mailed annually thereafter.

Disclosure of Account Information to Third Parties

We will disclose information to third parties about your Account or the transfers you make only in the following situations:

- Where it is necessary for completing transfers.
- In order to verify the existence and condition of your account to a third party, such as a credit bureau or merchant.

- In order to comply with a governmental agency or court orders.
- If you give us your written permission.

The Credit Union may use third-party service providers to perform some of the Services on the Credit Union's behalf. You agree that the Credit Union and its service providers may share your information with each other in order to provide the Services. The Credit Union requires its third-party service providers to implement and maintain administrative, technical, and physical safeguards to protect the security and confidentiality of your information.

Your Liability for Authorized Transactions

You are liable for all transactions that you make or authorize and all transactions by any person to whom you have provided your password, even if the person you have authorized exceeds their authority. If you have given someone your password and want to terminate that person's authority, you must notify us that transactions by such a person are no longer authorized. We may have to change your password or take additional steps to prevent further access by such person. You have immediate access to update your login credentials at any time. Log in to Online Banking, select the Services tab and then under Personal Profile select the option you would like to update.

Notify us IMMEDIATELY for Unauthorized Transactions

Tell us AT ONCE if you believe your password have been lost, stolen or otherwise compromised, used without your authorization, or if you believe that an electronic fund transfer has been made without our permission using information from your check. Quickly telephoning us is the best way of keeping your possible losses down. You could lose all the money in your Account (plus your maximum overdraft line of credit, if applicable). If you tell us within 2 business days after you learn of the loss or theft of your password involving a consumer Account, you can lose no more than \$50.00 if someone used your password without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your password, and we can prove that we could have stopped someone from using your password without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement for a consumer Account shows transfers covered by this Agreement that you did not make or authorize, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you or provided electronically if you have selected such method, you may not get back any money you lost 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. If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

If you believe your password has been lost or stolen, You may call or write us at:

800-491-9594; 830-896-6800

Or

Mailing Address:

Kerr County FCU
3700 Memorial Blvd

Kerrville, TX 78028. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

If we provide you with another electronic means of notifying us for this specific purpose, you may also use that means. However, DO NOT use a general e-mail service or other electronic means that we have not specifically authorized for this purpose.

Business Days

Our Online Banking Services are generally available 24 hours a day, 7 days a week. However, we only process transactions and update information on business days. Our business days are Monday through Friday. Federal holidays or other days we are not open for business are not business days.

Transfers Involving Insufficient Funds

You agree that your use of the Services shall be subject to any overdraft protection plan you have established with us, or if you do not have such a plan with us, in accordance with our overdraft payment policy and as set forth in our overdraft brochure provided at account opening and upon request. If you instruct us to make a transfer and you do not have a sufficient balance in the Account from which you are making the transfer (including available credit under any overdraft line), we may refuse to complete the transaction. We may do this even if there are sufficient funds in Accounts other than the one you were using to make the transfer. If we complete a transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction in the Account from which the transfer is made, you agree that we may reverse the transaction or offset the shortage with funds from any other eligible Account you have with us. In any case, you are fully obligated to us to provide sufficient funds for any transfers you make or authorize.

If we do not make a transfer, or if we reverse a transfer, because of insufficient funds, we are not required to make any further attempt to process the transfer or to notify you that the transfer has not been completed. You may be liable for a non-sufficient funds fee under the terms governing the Account from which you made, or attempted to make, the transfer.

No Warranty

THE SERVICES ARE PROVIDED "AS IS" AND "AS AVAILABLE" WITHOUT ANY WARRANTY OF ANY KIND. WE DO NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. NEITHER THE CREDIT UNION NOR ANY OF ITS SERVICE PROVIDERS MAKES ANY WARRANTY ON ANY EQUIPMENT, HARDWARE, SOFTWARE, OR THE SERVICES, OR WITH RESPECT TO YOUR INTERNET OR WIRELESS SERVICE PROVIDER, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY; FITNESS FOR A PARTICULAR PURPOSE; NONINFRINGEMENT, OR PERFORMANCE UNLESS DISCLAIMING SUCH WARRANTY IS PROHIBITED BY APPLICABLE LAW.

Limitation of Liability

WE ARE NOT RESPONSIBLE FOR ANY LOSS, DAMAGE, OR INJURY, WHETHER CAUSED BY YOUR EQUIPMENT, YOUR SOFTWARE, OR ANY TECHNICAL OR EDITORIAL ERRORS OR OMISSIONS IN ANY MATERIAL PROVIDED TO YOU IN CONNECTION WITH THE SERVICES. IF WE DO NOT COMPLETE A TRANSFER YOU HAVE REQUESTED, WE MAY BE LIABLE TO YOU, BUT ONLY TO THE EXTENT REQUIRED

BY APPLICABLE LAW. WE WILL NOT BE RESPONSIBLE FOR ANY INDIRECT, INCIDENTAL, EXEMPLARY, SPECIAL, PUNITIVE OR CONSEQUENTIAL LOSSES OR DAMAGES ARISING IN ANY WAY OUT OF THE USE OR MAINTENANCE OF YOUR EQUIPMENT, SOFTWARE, OR THE SERVICES UNLESS THE LAW REQUIRES.

Indemnification

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CREDIT UNION, ITS SERVICE PROVIDERS AND LICENSORS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL COSTS, CLAIMS, LOSSES, DAMAGES, LIABILITIES, AND EXPENSES (INCLUDING ATTORNEY'S FEES) ARISING OUT OF OR RELATED TO YOUR ACCESS TO OR USE OF THE SERVICES OR YOUR VIOLATION OF THIS AGREEMENT OR APPLICABLE LAW.

Changing Terms

This Agreement will stay in effect until it is changed or terminated. We have the right to terminate this Agreement or a Service, suspend any one or more of the Services or change the scope and functionality of the Services at any time. We will ordinarily send you notice of any termination or suspension, but we are not required to do so unless applicable law requires such notice. Once we terminate this Agreement or suspend a Service, no further or pending transfers will be made with respect to this Agreement or the Service, including but not limited to any transfers scheduled in advance or any preauthorized recurring transfers.

We also have the right to make changes, additions, or deletions to the terms in this Agreement at any time. We will comply with any notice requirements under applicable law for such changes. If applicable law does not specify any notice requirements for the change, we will decide what kind of notice (if any) we will give you and the method of providing any such notice. You are not permitted to alter or amend this Agreement or any related document without our express written consent. Any attempt to do so will be void and unenforceable.

Additional Services

We may introduce new Services or enhance the existing Services from time to time. We will notify you when these new or enhanced Services are available. By using new Services when they become available, you acknowledge and agree that those Services are governed by this Agreement and any additional terms we may provide to you.

Waivers

No delay or omission by us in exercising any rights or remedies under this Agreement or applicable law shall impair such right or remedy or be construed as a waiver of any such right or remedy. Any single or partial exercise of a right or remedy shall not preclude further exercise of that right or remedy or the exercise of any other right or remedy. No waiver shall be valid unless in a writing enforceable against us.

Notices and Communications

Except as otherwise provided in this Agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we

make such notices available to you through electronic means. All notices and communications sent by you to us will be effective when we have received them and have had a reasonable time to act on them. You agree to notify us promptly of any change in your mailing address, e-mail address or telephone number.

Recording

You agree that we may tape record any telephone conversations you have with us regarding the Services covered by this Agreement. However, we are not obligated to do so and may choose not to in our sole discretion.

Attorney's Fees

If we become involved in legal action to defend or enforce this Agreement, you agree to pay our reasonable attorney fees and court costs, to the extent not prohibited by law.

Law That Applies

Regardless of where you live or work or where you access our Online Banking service, this Agreement is governed by the federal law of the United States of America and the laws of the State of Texas. If any of the terms of this Agreement cannot be legally enforced, they will be considered changed to the extent necessary to comply with applicable law.

Severability

If any provision of this Agreement is determined to be invalid, against public policy, or otherwise unenforceable, such provision shall be deemed to be restated, in accordance with applicable law, to reflect as nearly as possible the original intentions of the parties, and the remainder of the Agreement shall remain in full force and effect.

Signatures

By performing any of the following actions, you agree to be bound by this Agreement (to the extent applicable as provided in this Agreement) and any additional terms, conditions, or instructions provided to you in connection with a Service:

Requesting, enrolling in or using our Online Banking services to perform any transactions. Authorizing another individual to use our Online Banking service or giving your Access Code to another individual.

Physically signing this Agreement.

Completing a separate electronic consent form to receive disclosures and enter into this Agreement electronically.

Your electronic consent or use of our Online Banking services has the same effect as if you had signed this Agreement with your physical signature.

Your physical signature, electronic consent, or use of our Online Banking services is also your acknowledgement that you have received a copy of this Agreement in paper form, or if you have provided a separate electronic consent, in electronic form, and any additional terms, conditions, and instructions provided in connection with a Service. If you are offered or provided an electronic copy of this Agreement but would like to have a paper copy, please contact us by calling or writing:

800-491-9594; 830-896-6800

Or

Mailing Address:

Kerr County FCU
3700 Memorial Blvd
Kerrville, TX 78028

Captions

The captions of Sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

**Kerr County Federal Credit Union
Mobile Banking Agreement and Disclosure**

This Kerr County Federal Credit Union's Mobile Banking Agreement and Disclosure states the terms and conditions that you agree to by using our Kerr County Federal Credit Union's Mobile Banking Service. By enrolling in, requesting, using, or authorizing any other person to use the Mobile Banking Service, you agree to the terms of this Agreement, which we may amend from time to time. You represent that you are authorized to enter into this Agreement on behalf of all persons who jointly own or are authorized to access your Accounts, and that all such persons will be bound by this Agreement. You authorize the Credit Union and its service providers to make Account transfers, bill payments, and provide any other online services as we may offer and you may request from time to time. The Credit Union Membership Agreement and Disclosures are incorporated into this Agreement and continue to govern your Credit Union membership and share accounts. This Agreement does not modify any other agreements you have with us except as provided herein. In the event the terms of this Agreement or any additional terms for the Service conflict with any other agreement you have with us, the terms of this Agreement and any additional terms for the Service will control unless the terms of the other agreement expressly supersede this Agreement. This Agreement supplements our Membership Agreement and Disclosures, Online Banking Agreement and Disclosures and any other agreement between you and Kerr County Federal Credit Union.

We may offer additional Mobile Banking services and features in the future. Any such added Mobile Banking services and features will be governed by this Agreement and by any terms and conditions provided to you at the time the new Mobile Banking service or feature is added and/or at the time of enrollment for the feature or service, if applicable. From time to time, we may amend this Mobile Banking Agreement and Disclosure and limit, modify or cancel the Mobile Banking Services we offer without notice, except as may be required by law.

1. Definitions

“Account(s)” means your eligible Kerr County Federal Credit Union checking, savings, loan, or certificate of deposit and other Kerr County Federal Credit Union products that can be accessed through Mobile Banking.

“Account Owner” means a person who owns an Account that may be accessed through Mobile Banking.

“Device” means a supportable mobile device including a cellular phone or other mobile device that is web-enabled and allows secure SSL traffic which is also capable of receiving text messages. Your wireless carrier may assess you fees for data or text messaging services. Please consult your wireless plan or provider for details.

“Mobile Banking” or “Service” means the banking services accessible from the Device you have registered with us for Mobile Banking.

“You” and “Your(s)”, mean each person who is an Account Owner or who is authorized by an Account Owner to use Mobile Banking or conduct transactions on the Account.

“We”, “Us”, and “Credit Union” mean Kerr County Federal Credit Union and its service providers.

2. Mobile Banking Service

Description of Service. Mobile Banking is offered as a convenience and supplemental service to our Home (Online) Banking services. It is not intended to replace access to Home Banking from your personal computer or other methods you use for managing your accounts and services with us. Mobile Banking allows you to access your Credit Union Account information, make payments to payees, transfer funds and conduct other financial transactions. Once you enroll in our Home Banking product, you can download the Mobile Banking Application. The applications are available for both Apple and Android operating systems.

We reserve the right to limit the types and number of Accounts eligible and the right to refuse to make any transaction you request through Mobile Banking.

Mobile Banking may not be accessible or may have limited utility over some network carriers. In addition, the Service may not be supportable for all Devices. Kerr County Federal Credit Union cannot guarantee and is not responsible for the availability of data services provided by your mobile carrier, such as data outages or “out of range” issues.

Access to the Service. The Service is generally accessible 24 hours a day, 7 days a week, except that the Service may be inaccessible for brief periods each week for system maintenance and any other necessary down time. We will attempt to limit interruptions to the Service, but we are not responsible for failure to provide the Service due to system maintenance, other necessary down time, or any unforeseen acts or circumstances outside of our control.

Use of Service. You agree to accept responsibility for learning how to use Mobile Banking and agree that you will contact us directly if you have any problems with Mobile Banking. You agree to follow any instructions we provide in connection with your use of the Service. You are responsible for the proper operation of your Device and any Internet or cellular data service used to access the Service. All communications sent to us through the Service are our property. We are not responsible for any charges,

expenses, or costs you may incur as a result of use or misuse of your Device or any Internet or cellular data service. If you should experience an interruption while conducting a transaction using the Service, you should immediately log out of the Service and log in again to verify if your transaction has been completed. If you cannot login to the Service, you agree to contact the Credit Union promptly to determine if the transaction has been completed. In order to avoid duplicate transactions, you agree not to re-request a transaction performed during an interrupted session. If you conduct a duplicate transaction payable to a third party, we will not be responsible if the third party refuses to refund the duplicate transaction amount. We may modify the Service from time to time at our sole discretion. In the event of any modifications, you are responsible for making sure you understand how to use Mobile Banking as modified.

Other Agreements. You agree that, when you use Mobile Banking, you remain subject to the terms and conditions of your existing agreements with any unaffiliated service providers, including, but not limited to, your mobile service provider 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 (such as data usage or text messaging charges imposed on you by your mobile service provider for your use of or interaction with Mobile Banking), and you agree to be solely responsible for all such fees, limitations and restrictions. You agree that only your mobile service provider is responsible for its products and services. Accordingly, you agree to resolve any problems with your provider directly without involving us.

Any deposit account, loan or other Credit Union product accessed through this Service is also subject to our Membership Agreement and Disclosures provided at the time of Account opening. You should review the Account disclosures carefully, as they may include transaction limitations and fees which might apply to your use of Mobile Banking.

3. Permitted Mobile Banking Transfers

You may use the Service to transfer funds between your eligible Kerr County Federal Credit Union accounts (“Internal transfer”). You may transfer funds to or from an account at another financial institution using the Bill Pay tab located within the mobile banking application.

Your transfer request will initiate an immediate internal transfer via Mobile Banking.

You must have sufficient funds available in the selected Account at the time the transfer request is received, including any available overdraft protection. If we process the transfer and your overdraft protection is utilized, you agree to cover any overdraft amount plus any applicable fees.

Federal regulations require financial institutions to limit the way withdrawals may be made from a savings account. Each transfer from a special share savings account or money market account using Mobile Banking, including automatic overdraft protection transfers made from your share account to cover transactions made from your checking account, is counted as one of the six limited transactions permitted each monthly statement cycle period, as described in our Member Account Agreement and Disclosures. We may charge a fee, refuse to complete a transfer, or suspend your access to the Service and other electronic fund transfer services if you exceed these limitations. You may be subject to fees or account conversion if you exceed the transaction limits of your Account using Mobile Banking or any other methods outlined in our Membership Account Agreement and Disclosures.

We may also limit the type, frequency and amount of transfers for security purposes and may change or impose the limits without notice, at our option.

You agree to confirm the completion of each transfer in your Account balance and transaction history before withdrawing transferred funds.

4. Mobile Remote Deposit Capture Services

Mobile Banking users will have the ability to use the Credit Union's remote deposit capture services. The remote deposit capture services are designed to allow you to make deposits to your share (savings), share draft (checking), or money market Accounts from your camera enabled mobile device capable of capturing check images and information and electronically delivering the items and associated deposit information to the Credit Union or the Credit Union's designated processor. Your use of remote deposit capture services is also governed by our Mobile Remote Deposit Capture Agreement.

5. Bill Pay

Mobile Banking users will have the ability to access the Kerr County Federal Credit Union's Bill Pay service via the Mobile Application once the application has been installed on their device.

The Mobile Application allows full feature use of Bill Pay. Your use of Bill Pay is also governed by our Online Banking Agreement and Disclosure you agree to when you initially sign up for online banking.

6. Your Responsibilities

You represent and agree to the following by enrolling for Mobile Banking or by using the Service:

A. Account Ownership/Accurate Information. You represent that you are the legal owner of the Accounts and other financial information which may be accessed via Mobile Banking. You represent and agree that all information you provide to 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 using Mobile Banking. You agree not to misrepresent your identity or your Account information. You agree to keep your Account information up to date and accurate. You represent that you are an authorized user of the Device you will use to access Mobile Banking.

B. User Security. You agree to take every precaution to ensure the safety, security and integrity of your identity, your Account and your Account information when using Mobile Banking. You agree not to leave your Device unattended while logged into Mobile Banking and to log off immediately at the completion of each access by you. You agree not to provide your username, security code, or other access information, or personal information to any unauthorized or unknown person. If you give your personal information to someone and that person uses your information to access your Account, you agree that such use will be deemed as authorized use for which you will be responsible. If you permit other persons to use your device, login information, or other means to access Mobile Banking, you are responsible for any transactions they authorize and we will not be liable for any damages resulting to you. You agree not to use any personally identifiable information when creating shortcuts to your Account.

You understand that any person having access to your device or your security code when logged into the Service will be able to access the Service and perform all transactions, including reviewing all available Account information and making transfers to other Accounts and persons. You are

responsible for reporting the loss, theft or compromise of your security code to us as soon as possible after you learn of it or suspect that unauthorized use has or may occur. For your security, we may restrict access to the Service without notice if we suspect fraudulent activity.

We will never contact you and ask you to give us your Account information, including your user name, security code and Account number over the telephone, by email or by text messaging. You agree to remain vigilant for phishing and other fraudulent scams and notify us promptly if you become aware of or suspect fraudulent activity involving your identity, your accounts, or the Credit Union. If you fail to exercise reasonable care to protect your identity and safeguard your Accounts, we will not be liable unless required by law.

We make no representation that any content or use of Mobile Banking is available for use in locations outside of the United States. Accessing Mobile Banking from locations outside the United States is at your own risk.

C. User Conduct. You agree not to use Mobile Banking or the content or information delivered through Mobile Banking in any way that would: (i) infringe any third-party copyright, patent, trademark, trade secret or other proprietary rights or rights of privacy, including any rights in the software; (ii) 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; (iii) 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); (iv) be false, misleading or inaccurate; (v) 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; (vi) be defamatory, libelous, unlawfully threatening or unlawfully harassing; (vii) potentially be perceived as illegal, offensive or objectionable; (viii) interfere with or disrupt computer networks connected to Mobile Banking; (ix) interfere with or disrupt the use of Mobile Banking by any other user; or (x) allow you or third parties to gain unauthorized entry or access to the computer systems of others. You may not use the Service from any location where the content provided by the Service or use of the Service is illegal, and you assume all responsibility and risk of loss if you do so.

D. No Commercial Use or Re-Sale. You agree that the Service is only for the personal or business use of individuals authorized to access your Account information. You agree not to make any commercial use of Mobile Banking or resell, lease, rent or distribute access to Mobile Banking.

E. Disclaimer of Warranties. YOU AGREE THAT YOUR USE OF MOBILE BANKING AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. NEITHER THE CREDIT UNION NOR ANY OF ITS SERVICE PROVIDERS MAKES ANY WARRANTY ON ANY EQUIPMENT, HARDWARE, SOFTWARE, THE SERVICE, OR YOUR INTERNET OR CELLULAR SERVICE, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT, OR PERFORMANCE UNLESS DISCLAIMING SUCH WARRANTY IS PROHIBITED BY APPLICABLE LAW. WE MAKE NO WARRANTY THAT THE SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY SERVICE OR TECHNOLOGY WILL BE CORRECTED.

F. Limitation of Liability. WE ARE NOT RESPONSIBLE FOR ANY LOSS, DAMAGE, OR INJURY, WHETHER CAUSED BY YOUR DEVICE, YOUR EQUIPMENT, YOUR SOFTWARE, OR ANY TECHNICAL OR EDITORIAL

ERRORS OR OMISSIONS IN ANY MATERIAL PROVIDED TO YOU IN CONNECTION WITH THIS SERVICE. IF WE DO NOT COMPLETE A TRANSFER YOU HAVE REQUESTED, WE MAY BE LIABLE TO YOU, BUT ONLY FOR YOUR ACTUAL LOSSES AND DAMAGES UP TO THE AMOUNT OF THE TRANSFER. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY. IN STATES THAT DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OUR LIABILITY IS LIMITED TO THE EXTENT PERMITTED BY APPLICABLE LAW.

IN NO EVENT WILL WE BE LIABLE:

- If you do not obtain a confirmation at the time you initiate a transfer or payment.
- If you do not have adequate funds in your Account to complete a transaction or your Account is closed.
- If you have not properly followed any applicable personal computer or Device, Internet or cellular data access, or user instructions.
- If your personal computer or Device fails or malfunctions or the Service was not properly working and such problem should have been apparent when you attempted the transaction.
- If circumstances beyond our control (such as fire, flood, telecommunication outages, organized labor strikes, equipment or power failure) prevent us from making the transaction.
- If the funds in your Account are subject to an administrative hold, legal process, or other claim.
- If you have not given us complete, correct, and current instructions so that we can process the transfer.
- If the error was caused by a system or for a reason beyond our control, such as that of your Internet or cellular data access provider.
- If you do not authorize a transfer soon enough for your transfer to be made.
- If we have reasonable cause to believe that the transaction may be fraudulent.
- If you have closed the Account to or from which the transfer was to be made.
- We may establish other exceptions from time to time.

G. Overdrafts and Non-Sufficient Funds. You agree that your use of the Service shall be subject to our overdraft policies and the overdraft provisions as set forth in our Membership Agreement and Disclosures. If there are insufficient funds available in your Account or from any other form of overdraft protection, we may not process a transaction you have requested. In such event, you understand and agree that you will be responsible for making alternate arrangements for the transaction. We are under no obligation to

process a transaction for which sufficient funds are not available, and we are not required to notify you in such event. In the event we do decide to process a transaction for which sufficient funds are not available, we will charge the total cost of the transaction to you, including any overdraft fees or service charges.

H. Amendments. We may add to, change, or delete the terms of this Agreement at any time subject to such notice as may be required by applicable law. If we send any notice under this Agreement to any Account Owner, all other Account Owners are deemed to have received notice. Your use of the Service following receipt of any such notice constitutes your acceptance of any such change. Use of the Service is subject to our policies, procedures, and existing regulations governing your Accounts and to any future changes to those policies, procedures, and regulations.

I. Termination of the Service. We may suspend or terminate this Agreement and your use of the Service, in whole or in part, at any time in our sole discretion. We will notify you in advance when required by law. In some cases, it may be necessary to suspend or terminate your access to the Service without advance notice for security reasons. You or any other party to your Account may terminate the Service at any time by notifying us in writing or following any other termination instructions we may provide. Termination will be effective after we have received your notification and have had a reasonable time to act on it. Termination by you only applies to the Mobile Banking Service and does not terminate your other relationships with us. Except as provided in this Agreement, termination of the Service by you or us does not affect your obligations or liability under this Agreement. Any bill payments already processing at the time we receive and have a reasonable time to act on your notice of termination cannot be stopped, and you will be responsible for those bill payments. Any scheduled and unprocessed bill payments pending at the time we receive your notice of termination will be canceled, subject to our reservation of a reasonable time to act on your termination request.

J. Fees. Use of the Services is subject to the following fees and other applicable fees as set forth in our Fee Schedule. You are also responsible for any fees charged to us by third parties in connection with your use of the Services. We may charge any Account on which you are an owner for all such fees without advance notice to you.

Account Access:	No charge
Bill Payment:	No charge
Non-Sufficient Funds:	\$30.00 per item

Stop Payment: \$25.00 per item (bill payments cancelled solely by you through the Service are not subject to a Stop Payment fee).

K. Contact in Event of Unauthorized Transfer. If you believe your Code has been lost, stolen, compromised, or that someone has transferred or may transfer money from your Account without your permission, call or write to us at:

(830) 896-6800 or (800) 481-9594
Kerr County Federal Credit Union
ATTN:
3700 Memorial Blvd.
Kerrville, TX 78028

Telephoning us as soon as possible is the best way of keeping your possible losses down.

L. Your Liability for Unauthorized Transfers and Advisability of Prompt Reporting. If you believe your Code has been lost, stolen, or compromised, you should change your Code immediately by visiting one of our branches.

Tell us AT ONCE if you believe your Code has been lost, stolen, or compromised. Telephoning at one of the telephone numbers above is the best way of keeping your possible losses down. You could lose all the money in your Account. If you tell us within two business days, you can lose no more than \$50 if someone used your Code without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your Code, and we can prove we could have stopped someone from using it without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

M. In Case of Errors or Questions about Your Electronic Transfers. Write to us or call us at the address and telephone numbers listed in this Agreement as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on your Account statement. We must hear from you no later than 60 days after we send you the FIRST statement on which the problem or error appeared.

- (i) Tell us your name and Account number.
- (ii) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (iii) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten business days.

We will tell you the results of our investigation within ten business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your Account within ten business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten business days, we may not credit your Account.

For errors involving new Accounts, we may take up to 90 days to investigate your complaint or question, and we may take up to 20 business days to credit your Account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

N. Business Days. Our business days are Monday through Friday excluding federal holidays and the Friday after Thanksgiving.

O. Documentation. All withdrawal and transfer transactions made using the Service will be listed on your monthly Account statement that you receive from us. You may also access your transaction history through the Online Banking service. If you do not receive a monthly Account statement from us, we will send you a statement at least quarterly.

P. Confidentiality. We will disclose information to third parties about your Account or the transfers you make:

- Where it is necessary for completing transfers, or
- In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or
- In order to comply with government agency or court orders, or
- If you give us your written permission.

The Credit Union may use third-party service providers to perform some of the services on the Credit Union's behalf. You agree that the Credit Union and its service providers may share your information with each other in order to provide the Service. The Credit Union requires its third-party service providers to implement and maintain administrative, technical, and physical safeguards to protect the security and confidentiality of your information.

Q. Notices. We may provide all notices to you under this Agreement (i) by posting notices on our website at www.kerrcountyfcu.com, (ii) by way of the Secure Email Messages Service within the Online Banking program, or (iii) to your email address on file with us. Notices sent by us are deemed to be sent on the date of the notice and are deemed to be received by you three business days after they are sent. Notice to one of you constitutes notice to all of you. Notices from you are deemed effective when we receive them.

R. Assignment. We may assign our rights or duties under this Agreement. You may not assign this Agreement to any other person without our written consent.

S. Enforcement of Rights. We do not waive our rights under this Agreement unless such waiver is in writing and signed by us. We may delay or decline to enforce any of our rights under this Agreement without losing our right to enforce them or any other rights we have in the future.

T. Severability. If any provision of this Agreement shall be declared invalid, unenforceable, or void as against public policy, that provision will not affect the validity, enforceability, or legality of any other provision.

U. Collection Costs and Attorney's Fees. If you fail to follow this Agreement, you will be liable to us for any resulting losses, costs, or expenses we incur. You authorize us to deduct any such losses, costs, or expenses from any eligible Account on which you are an owner without prior notice to you. If we initiate legal action to collect any amount you owe us under this Agreement, you will be responsible to pay us for our reasonable attorney's fees and costs, subject to applicable law.

V. Headings. The titles and headings of the various sections of this Agreement are for the sole convenience of the parties and are not intended for any other purpose or to explain, modify, or place any construction on any of the provisions of this Agreement.

W. Governing Law. To the extent not preempted by applicable federal law, this Agreement is governed by and shall be construed in accordance with the laws of the State of Texas, and it is deemed executed in Kerr County, Texas. You agree that if there is any inconsistency between this Agreement and any applicable law, regulation, or rule, the terms of this Agreement shall prevail to the extent that any such law, regulation, or rule may be modified by agreement between us.

X. INDEMNIFICATION. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD THE CREDIT UNION, ITS SERVICE PROVIDERS AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS HARMLESS FROM AND AGAINST ALL COSTS, CLAIMS, DAMAGES, LIABILITIES, AND EXPENSES (INCLUDING ATTORNEY'S FEES) ARISING OUT OF OR RELATED TO YOUR ACCESS TO OR USE OF THE SERVICE OR YOUR VIOLATION OF THIS AGREEMENT. UNLESS CAUSED BY OUR INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE, YOU AGREE TO INDEMNIFY, DEFEND AND HOLD HARMLESS KERR COUNTY FEDERAL CREDIT UNION ITS OFFICERS, DIRECTORS, EMPLOYEES, CONSULTANTS, AGENTS, SERVICE PROVIDERS, AND LICENSORS FROM ANY AND ALL THIRD PARTY CLAIMS, LIABILITY, DAMAGES, EXPENSES AND COSTS (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES) CAUSED BY OR ARISING FROM (i) A THIRD PARTY CLAIM OR DISPUTE ARISING IN CONNECTION WITH THE SERVICE; (ii) YOUR VIOLATION OF ANY LAW OR RIGHTS OF A THIRD PARTY; OR (iii) YOUR USE, OR USE BY A THIRD PARTY, OF MOBILE BANKING. YOU UNDERSTAND AND AGREE THAT THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

Y. SECURITY INTEREST. YOU GRANT THE CREDIT UNION A SECURITY INTEREST IN ALL ACCOUNTS OR OTHER DEPOSITS (WHETHER GENERAL OR SPECIAL) YOU HAVE WITH THE CREDIT UNION, AND IN ALL FUNDS IN SUCH ACCOUNTS OR OTHER DEPOSITS, TO SECURE YOUR OBLIGATIONS TO THE CREDIT UNION UNDER THIS AGREEMENT. THIS SECURITY INTEREST WILL SURVIVE TERMINATION OF THIS AGREEMENT. IN ADDITION TO ANY OTHER RIGHTS WE MAY HAVE UNDER OTHER AGREEMENTS WITH YOU, WE MAY HOLD ANY FUNDS ON DEPOSIT WITH US BY YOU AFTER TERMINATION OF THIS AGREEMENT FOR UP TO 15 CALENDAR DAYS FOLLOWING THE EXPIRATION OF ANY RETURN OR CHARGEBACK RIGHTS REGARDING ANY REMOTE ITEM PROCESSED BY THE CREDIT UNION USING THE SERVICES OR, IF LATER, UNTIL ANY OTHER CLAIM TO SUCH FUNDS HAVE EXPIRED.

**Kerr County Federal Credit Union
Mobile Remote Deposit Capture Agreement**

This Agreement governs the Kerr County Federal Credit Union Mobile Remote Deposit Capture service (the "Service"). The Service permits users to deposit checks remotely using their mobile device.

In this Agreement, the words "you" and "your" mean the primary member requesting the Service and any joint Account owners, authorized signers, or other persons authorized to act on the primary member's Credit Union Accounts. You represent that you are authorized to enter into this Agreement on behalf of all account owners and any other authorized signers. "We," "our," "us," and "Credit Union" mean Kerr County Federal Credit Union.

You must be enrolled in our Mobile Banking service to use this Service and additionally download our mobile application ("mobile App") to your mobile device. Other requirements and limitations for the Service are set forth in the Mobile/Remote Deposit Capture Guidelines and Limits ("Guidelines and Limits"), which are made a part of this Agreement. The Kerr County Federal Credit Union Membership Agreement and Disclosures is also made a part of this Agreement. Certain additional user requirements and limitations may also apply as set forth in any instructions, user guides, FAQs, or other information we may provide or make available to you in connection with the Service, all of which are made a part of this Agreement. In the event of any conflict between these agreements and documents, the order of priority for resolving the conflict shall be (1) Any instructions, user guides, FAQs, and other information provided to you, (2) this Agreement and the Guidelines and Limits, and (3) the Membership Agreement and Disclosures, unless this Agreement specifically provides otherwise. Capitalized terms and pronouns used in this Agreement have the meanings as defined herein or in the Membership Agreement and Disclosures.

We reserve the right to deny an application for any reason in our sole discretion. Upon approval, you may use an approved mobile device and our mobile App to capture images of certain paper checks, front and back, and electronically transmit the images over the Internet to us for deposit into the designated share draft (checking), money market, or share (savings) account. Not all mobile devices may be supported.

Please review this Agreement carefully. By requesting or using this Service, you agree to conduct your remote deposit transactions by electronic means, you authorize us and our technology partners to take all actions necessary to provide the Service, and you agree to the following terms and conditions. You additionally agree to be bound by applicable clearinghouse rules, operating circulars, and other check processing rules to which we are bound, including Federal Reserve Bank Operating Circular 3.

1. **Definitions.** In addition to other defined terms in this Agreement, the following terms are defined:
 - a. **Substitute Check:** A paper reproduction of a check that contains an image of the front and back of the check and meets the other technical requirements for a substitute check under Check 21 and Federal Reserve Board Regulation CC.
 - b. **Item:** An instrument containing an order to pay money handled by a financial institution for collection or payment, as defined by the Texas Uniform Commercial Code. The image files of the front and back of Checks you transmit to us qualify as Items under this Agreement.
 - c. **Service:** The remote deposit capture service offered by the Credit Union.
 - d. **Check:** An original paper check, other than a documentary draft, payable on demand, negotiable, and drawn on or payable through a financial institution headquartered in the United States of America.

- e. **Remotely Created Check:** A check that is not created by the paying bank or its supplier and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.
- f. **Foreign Item:** A check not drawn on or payable through a financial institution located in the United States of America.
- g. **Check 21:** The Check Clearing for the 21st Century Act, 12 U.S.C. 5001 *et. seq.*, and the implementing Check 21 regulations located in Subpart D to Federal Reserve Board Regulation CC, 12 C.F.R. 229 *et. seq.*, and other applicable provisions of Regulation CC.

2. Hardware and Software Requirements. You are responsible for purchasing, operating, and maintaining an approved mobile device and any other equipment necessary to use the Service. You agree to download and use the latest version of the Credit Union's mobile App as it becomes available. You are additionally responsible for all wireless and Internet services necessary to access the Service and for charges arising out of or related to those services. We are not responsible for any third-party hardware or software you may need to use the Service. To use the Service, you must have an approved mobile device and a working Internet connection. We may impose additional hardware and software requirements and mandatory equipment maintenance procedures from time to time by notifying you, and you agree to abide by such requirements and procedures at your expense. We reserve the right to add to, change, or delete the hardware, software, and other Service requirements from time to time by providing notice to you. You agree to accept notices provided in connection with the Service at your email address on file with us or by any other commercially reasonable notification method we may choose.

3. Security and Safeguarding Your Devices and Access Information. You agree to keep your mobile devices secure and implement safeguards to protect against unauthorized deposits and access to your information. To the extent permitted by applicable law, you will be responsible if fraudulent, unauthorized, inaccurate, incorrect, or otherwise improper or unusable Items are sent to us for credit to your account. You may access the Service by logging into your accounts using your Mobile Banking ID and Mobile Banking Password. Your Mobile Banking ID and Password are collectively referred to in this Agreement as the "Access Information." We may require additional security procedures in order to authenticate a user, and you agree to abide by our requirements. You agree to keep your Access Information secure by memorizing it or keeping it in a safe place, not disclosing it to any third party other than those to whom you provide your express authorization, and you will not record or display your Access Information in such a manner that it will be accessible by unauthorized third parties. You additionally agree to complete your remote deposit transactions promptly, and you will not leave your mobile device unattended while using the Service. You agree to promptly log off each time you finish using the Service. **You understand that any person having access to your Access Information will have ready access to the Service and will have the ability to perform all transactions available through Mobile Banking and the mobile App and the Service.** You agree that any use of your Access Information by you, any other party to any of your Credit Union share draft (checking), money market, or share (savings) accounts, anyone you permit or authorize to use your Access Information, and anyone to whom you disclose your Access Information or give access to your Access Information is deemed an authorized use for which you will be liable. If you authorize another person to use your Access Information in any manner, your authorization is considered unlimited in amount and manner until you have notified us in writing that you have revoked the authorization. You are responsible for any transactions made by any such person until we have received your written notice of revocation and have had a reasonable opportunity to act upon it. You understand that anyone with access to your mobile device may be able to access any check images you have captured on your mobile device, and we are not responsible for any damages or liability arising out

of such access. You are responsible for reporting the loss, theft, or compromise of your mobile device or your Access Information to us as soon as possible after you learn of it or suspect that unauthorized access or use has or may occur. For your security, we may restrict access to the Service without advance notice if we suspect or detect fraudulent activity.

4. Items Eligible for Deposit. When using this Service, we will use the check images you send to us to clear the checks as images or create Substitute Checks for presentment to the paying financial institutions. We may choose, in our sole discretion, the method we use to present and clear remotely deposited checks. All Items accepted for deposit will be treated as Checks, Items, and/or deposits under the Membership and Account Agreement and are subject to that agreement. Each Item may be transmitted to us only once unless we specifically instruct otherwise. Only Checks drawn on financial institutions headquartered in the United States of America and payable to one or more account owners are eligible for deposit. Each payee of a Check must be an account owner on the account into which the Check is deposited, and we will not accept Checks payable to any other person. We will not accept Substitute Checks. We will not accept Remotely Created Checks, third-party checks, or Foreign Items. Each Check deposited and accepted through the Service will qualify as an Item as defined herein and must be properly endorsed by all required payees. Additional restrictions and endorsement requirements are set forth in the Guidelines and Limits attached hereto. You agree not to deposit Checks that contain evidence of alteration or that 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. While we will provide notice as soon as possible if we cannot accept an Item for remote deposit, you acknowledge and agree that we may reject any Item in our sole discretion without advance notice to you, and we will not be liable for any such rejection. We may restrict the types of accounts into which Checks can be deposited. Funds from Checks deposited through the Service will generally be made available in accordance with our Funds Availability Policy, but we retain the discretion to delay the availability of deposits for a longer period. You may contact us at the telephone numbers listed in the Guidelines and Limits to confirm that we have accepted an Item and when the funds will be available.

5. Image Quality. Both the front and back of each Check must be sent to us as directed in any instructions we provide or make available to you. You are responsible for ensuring that the images of the front and back of each Check are correctly matched and that the Check images are legible. We will not accept Items containing incomplete Check images or images of Checks with torn or folded edges, cut corners, or containing any other physical discrepancies. YOU REPRESENT AND WARRANT THAT EACH ITEM SUBMITTED FOR REMOTE DEPOSIT (A) WILL ACCURATELY AND LEGIBLY REPRESENT ALL OF THE INFORMATION ON THE FRONT AND BACK OF THE CHECK AT THE TIME OF IMAGING, INCLUDING WITHOUT LIMITATION, THE AMOUNT OF THE CHECK, THE PAYEE, THE DRAWER'S SIGNATURE, THE PREPRINTED INFORMATION THAT IDENTIFIES THE DRAWER AND THE PAYING BANK, THE MAGNETIC INK CHARACTER RECOGNITION (MICR) LINE, AND ALL OTHER INFORMATION PLACED ON THE CHECK BEFORE IMAGING, SUCH AS ENDORSEMENTS APPLIED TO THE BACK OF THE CHECK, AND (B) WILL CONFORM TO OUR SPECIFICATIONS AS PROVIDED TO YOU FROM TIME TO TIME AS WELL AS APPLICABLE INDUSTRY AND REGULATORY STANDARDS.

6. Standard of Care; Deposit Limits and Cutoff Times. We will use ordinary care as defined by the Texas Uniform Commercial Code in the handling of Items. We reserve the right to suspend the availability of the Service from time to time for necessary maintenance. Additionally, the Service may be unavailable from time to time due to circumstances outside of our control. When the Service is unavailable, you agree to deposit your checks through other available channels such as in person at a branch location or by mail. We may impose limits on the dollar amount of Checks that may be remotely deposited as set forth in the Guidelines and Limits. Items received Monday through Friday on business days we are open and before

our cutoff time listed in the Guidelines and Limits will normally be processed on the same business day unless equipment failures, maintenance, or other conditions beyond our reasonable control prevent processing. In such cases, the Items will be processed on our next business day if conditions permit, as will Items received after our cutoff time and on days our administrative offices are not open. The Guidelines and Limits attached hereto contain additional information about our business days. All accepted Items will be considered deposited at our headquarters in Kerr County Texas.

7. Fees. Standard fees as set forth in our Truth in Savings Fee Schedule and applicable to check deposits and check processing and will apply to remotely deposited checks. Any additional fees charged in connection with the remotely deposited checks or the Service may be set forth in the Guidelines and Limits attached hereto.

8. Electronic Signatures and Communications. You may sign this Agreement electronically. By providing your electronic signature, you agree to the use of electronic signatures and agree that any such signature shall be deemed your handwritten signature for all purposes and with the same binding effect as a signed paper document. We may choose to provide notices related to the Service electronically through the Home Banking service or any email address we have on file for you, and you consent to accept notices in electronic form. You agree to keep your email address and all other name and contact information on file with us current at all times by using the Home Banking service or other approved methods to update your information.

9. Receipt of Items, Lost Items, and Wireless Communications. Items are not considered received by us until we have notified you at the time of deposit that the transmission was successful. Receipt of an Item does not constitute an acknowledgement by us that the Item is error-free, that we have accepted the Item, or that we will be liable for the Item. You understand that wireless communications may not be encrypted and that there are risks in transmitting data to us with your mobile device. We have implemented important measures to safeguard and secure your data, but we cannot be responsible for Items not received by us or for any intrusion into or theft of any data you transmit unless the loss is substantially caused by us. You acknowledge that we cannot and do not guarantee the security of information transmitted over wireless networks and you expressly agree to assume this risk. Credit given for an Item received for deposit is provisional and subject to verification and final settlement. We are not responsible for alterations made to Items in the course of transmission to us. You are responsible for ensuring that Items transmitted to us have been received by us and credited to the designated Account in the correct amount.

10. Retention of Items. Once you have received notice from us that your transmission was successful, you agree to retain each Check in its original form for at least 60 days. During this time, you agree to make the original Check available to us within 10 calendar days on our request and at your expense. If you do not provide a requested Check to us in a timely manner, we may reverse any credit we have provided for the Item. After 60 days, you agree to mark each accepted Check "Void" across the face of the Check and destroy the Check by cross-cut shredding or another secure method to ensure that the Check will not be redeposited. Unless instructed by us in writing, you may not to negotiate, present, or redeposit an original Check that has been deposited through the Service.

11. Additional Duties and Obligations. In addition to your other duties as provided in this Agreement, you agree to abide by our policies and procedures in any matter related to the Service. You agree to implement and maintain reasonable security measures for the safekeeping of all Checks and Items. You agree that we may monitor and review your remote deposit process and require you to implement

reasonable and specific internal controls to use the Service. You agree to provide any additional information and documentation we may reasonably request in connection with a remote deposit transaction, including providing image files of deposited Items to us on request. You agree to review your accepted remote deposit transactions shortly after they have been posted to your account and promptly notify us of any input or other errors. You additionally agree to examine your account statement in a timely manner and promptly report errors or discrepancies to us within the 33-day time period provided in the Membership and Account Agreement. If you discover an error or discrepancy relating to a Substitute Check, you must notify us within the later of 60 days after we mailed or delivered (i) the account statement that contains the information concerning the transaction giving rise to the claim, or (ii) the Substitute Check giving rise to the claim. You agree to notify us promptly if you experience or suspect any problems or issues relating to the Service. You agree that we may make adjustments to your Account arising out of or related to your use of the Service at any time without advance notice to you. At any time, we may charge back Items that do not satisfy the warranties you are making with respect to the Items or do not otherwise meet the requirements of this Agreement. You are solely liable for an error or discrepancy related to an Item unless the error or discrepancy results from a breach of our duty of care. You agree to be responsible for all charges and fees charged by us or by third parties in connection with handling your Items, including applicable fees as set forth in the Guidelines and Limits and the Schedule of Fees and Charges. Such charges and fees are due and payable immediately, and you agree that we may charge any eligible account on which you are an owner for such charges and fees without notice to you. You agree to be responsible for any direct and indirect damages accruing to you or us that result from your failure to follow our procedures or maintain adequate security over your Checks.

12. Return of Items. If an Item is dishonored, rejected, or otherwise returned unpaid, we will charge back the amount of the original Check, and you will receive a Substitute Check as the charged back Item. You may not use the Service to deposit a Substitute Check, and you may not deposit or redeposit the original Check, whether by physical deposit or by way of the Service, if you receive a Substitute Check as a dishonored Item. You agree to abide by any additional instructions we may provide to you in connection with returned Items.

13. Warranties and Indemnity. IN CONNECTION WITH YOUR USE OF THE SERVICE, YOU REPRESENT AND WARRANT THAT:

(A) YOU WILL USE THE SERVICE AND RELATED TECHNOLOGY FOR LEGAL PURPOSES ONLY AND ONLY AS PROVIDED IN THIS AGREEMENT;

(B) YOUR USE OF THE SERVICE WILL BE IN COMPLIANCE WITH APPLICABLE LAW, INDUSTRY STANDARDS, AND OUR POLICIES, PROCEDURES, AND SPECIFICATIONS AS AMENDED FROM TIME TO TIME;

(C) YOU ARE A PAYEE OR AN AUTHORIZED REPRESENTATIVE OF THE PAYEE AUTHORIZED TO ENFORCE EACH ITEM YOU TRANSMIT;

(D) ALL ITEMS TRANSMITTED TO US AND ANY RELATED INFORMATION ARE ACCURATE AND COMPLETE AND ONLY ELIGIBLE ITEMS AS PROVIDED IN THIS AGREEMENT WILL BE DEPOSITED;

(E) YOU WILL COOPERATE WITH US WHEN REQUESTED IN CONNECTION WITH OUR PROVISION OF THE SERVICE;

(F) THE QUALITY OF ITEMS AND THE IMAGES YOU TRANSMIT WILL BE SUCH THAT A LEGALLY EQUIVALENT SUBSTITUTE CHECK CAN BE CREATED,

(G) YOU WILL NOT TRANSMIT ANY IMAGE FILE TO US THAT CONTAINS A VIRUS OR OTHER HARMFUL COMPUTER CODE;

(H) NEITHER YOU NOR ANY OTHER PERSON WILL DEPOSIT AN ORIGINAL PAPER CHECK THAT YOU ATTEMPTED TO DEPOSIT THROUGH THE SERVICE UNLESS THE ITEM CANNOT BE ACCEPTED OR PROCESSED THROUGH THE SERVICE AND WE HAVE SPECIFICALLY NOTIFIED YOU IN WRITING THAT YOU MAY DO SO;

(I) THE ITEMS YOU SUBMIT WILL CONFORM TO OUR STANDARDS AND YOU WILL NOT BREACH THE TERMS OF THIS AGREEMENT AT ANY TIME;

(J) ITEMS YOU SUBMIT ARE NOT COUNTERFEIT OR ALTERED AND THAT ALL SIGNATURES ON CHECKS ARE AUTHORIZED AND AUTHENTIC;

(K) YOU WILL BE RESPONSIBLE FOR ANY FRAUDULENT, INCORRECT, OR ILLEGIBLE ITEMS SENT TO US, WHETHER SENT INTENTIONALLY OR UNINTENTIONALLY;

(L) YOU EXPRESSLY ASSUME ALL OF THE WARRANTIES FOR THE COLLECTION AND PRESENTMENT OF CHECKS AS PROVIDED IN THE TEXAS UNIFORM COMMERCIAL CODE, INCLUDING WITHOUT LIMITATION, THE WARRANTIES SET FORTH IN TEXAS UNIFORM COMMERCIAL CODE SECTION 4.208;

(M) YOU EXPRESSLY ASSUME ALL OF THE WARRANTIES AND INDEMNIFICATIONS OF CHECK 21, INCLUDING WITHOUT LIMITATION, THE WARRANTY THAT NO DEPOSITORY INSTITUTION, DRAWEE, DRAWER, OR ENDORSER WILL RECEIVE PRESENTMENT OR RETURN OF, OR OTHERWISE BE CHARGED FOR, THE SUBSTITUTE CHECK, THE ORIGINAL CHECK, OR A PAPER OR ELECTRONIC REPRESENTATION OF THE SUBSTITUTE CHECK OR ORIGINAL CHECK SUCH THAT THE PERSON WILL BE ASKED TO MAKE A PAYMENT BASED ON A CHECK THAT IT HAS ALREADY PAID;

(N) WE WILL SUFFER NO LOSS AS A RESULT OF OUR ACCEPTANCE OF YOUR ITEMS OR YOUR USE OF THE SERVICE;

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CREDIT UNION AND OUR TECHNOLOGY PARTNERS, INCLUDING BUT NOT LIMITED TO THE RESPECTIVE AFFILIATES, OFFICERS, EMPLOYEES, AND AGENTS OF EACH OF THE FOREGOING FROM ALL CLAIMS, ACTIONS, DAMAGES, COSTS, EXPENSES, LOSSES, AND LIABILITIES WE INCUR, INCLUDING WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES AND RELATED EXPENSES, COURT COSTS, AND INTEREST, THAT ARISE OUT OF, RESULT FROM, OR RELATE TO (I) YOUR BREACH OF ANY OF THE REPRESENTATIONS OR WARRANTIES OR ANY OTHER PROVISIONS OF THIS AGREEMENT, OR (II) YOUR USE OF THE SERVICE.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CREDIT UNION AND ITS TECHNOLOGY PARTNERS, INCLUDING BUT NOT LIMITED TO SHARE/DATA SYSTEMS OF TEXAS AND THE RESPECTIVE AFFILIATES, OFFICERS, EMPLOYEES, AND AGENTS OF EACH OF THE FOREGOING FROM AND AGAINST ANY THIRD PARTY CLAIMS, SUITS, PROCEEDINGS, ACTIONS OR DEMANDS, INCLUDING CLAIMS OF ANOTHER FINANCIAL INSTITUTION, BUSINESS ENTITY, OR

GOVERNMENTAL AUTHORITY, AND ALL LOSSES LIABILITIES, DAMAGES, FINES, PENALTIES, COSTS AND EXPENSES, INCLUDING COURT COSTS AND REASONABLE ATTORNEY'S FEES AND EXPENSES, ARISING FROM SUCH CLAIMS, TO THE EXTENT SUCH CLAIMS ARE RELATED TO YOUR USE OF THE SERVICE OR THE CREDIT UNION TECHNOLOGY PARTNERS' APPLICATIONS, UNLESS SUCH CLAIM DIRECTLY RESULTS FROM AN ACT OR OMISSION MADE IN BAD FAITH BY THE CREDIT UNION OR ITS TECHNOLOGY PARTNERS. ALL OF THE PROVISIONS IN THIS SECTION 13 SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

14. Warranty Disclaimers; Limitation of Liability. USE OF THE SERVICE AND ALL RELATED INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) ARE PROVIDED AT YOUR OWN RISK AND ON AN "AS IS" AND ON "AS AVAILABLE" BASIS. WE DISCLAIM ANY AND ALL WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS OBTAINED BY USING THE SERVICE WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN THE SERVICE OR THE RELATED TECHNOLOGY WILL BE CORRECTED.

LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE MAY BE REQUIRED BY LAW.

15. Confidentiality. The Service and related technology may contain valuable trade secrets ("Confidential Information") that are the property of the Credit Union and its technology partners. You agree to (i) take reasonable precautions to protect the Confidential Information, (ii) hold the Confidential Information in strict confidence, and (iii) use it only for the purpose of this Agreement. Any unauthorized use of Confidential Information constitutes a material breach of this Agreement and may cause the owner irreparable injury for which there is no adequate remedy at law. In the event of an actual or threat of breach of Confidential Information, in addition to any other remedies available at law to us or our technology partners, you agree that we or our technology partners may seek equitable relief to prevent or remedy the breach or threat of breach without posting bond or any other security.

16. Ownership and License. You acknowledge that the remote deposit technology, the Service, and the App are the property of the Credit Union and/or its technology partners, including but not limited to Share/Data Systems of Texas., and are protected by copyright law. The Credit Union and its technology partners grant you a limited, personal, non-exclusive, non-transferable license to use the technology and to download and install the App solely to access and use the Service in accordance with the terms of this Agreement and any future amendments to this Agreement. You acknowledge that all right, title and interest in the Service, the remote deposit technology and the App, and all software and development, is owned and retained by the Credit Union or its technology partners and that neither the Service, the remote deposit technology, nor the App is sold to you. Your rights to the Service, the remote deposit technology, and the App are strictly limited by this Agreement, and the Credit Union and its licensors reserve all rights not expressly granted herein. You may not, nor may you permit any third party to: (a)

sublicense, rent, lease, transfer, sell, or redistribute the Service, the remote deposit technology, or the App or any portion thereof, (b) reverse engineer, decompile, disassemble, modify, change, alter, translate, create derivative works from, attempt to derive the source code of, copy or reproduce all or any part of, or interfere with, or attempt to interfere with, the Service, the remote deposit technology, or the App or any portion thereof, or (c) use the Service, the remote deposit technology, or the App or any portion thereof in any manner not expressly permitted under this Agreement.

17. Force Majeure. We will not be deemed in default or otherwise liable under this Agreement due to our inability to perform our obligations by reason of fire, earthquake, flood, epidemic, accident, explosion, casualty, strike, lockout, labor controversy, riot, civil disturbance, act of public enemy, embargo, war, act of God, or any failure or delay of any transportation, power, computer or communications system, or any other similar cause beyond our reasonable control.

18. Assignment. You may not assign this Agreement or any right or obligation under this Agreement without our prior written consent.

19. No Waiver; Time of Essence. No provision of this Agreement will be deemed waived, and no breach will be deemed excused, unless such waiver or excuse is in writing and signed by the party from whom such waiver or excuse is claimed. For purposes of this Agreement, time is of the essence.

20. Severability. In the event that any provision of this Agreement is determined to be invalid, unenforceable, or otherwise illegal, such provision will be deemed restated, in accordance with applicable law, to reflect as nearly as possible the original intentions of the parties, and the remainder of the Agreement will remain in full force and effect.

21. Amendment. We may add to, change, or delete the terms of this Agreement by providing notice to you. We may also add to, change, suspend, or terminate some or all of the functionalities or features of the Service at any time without notifying you, although we will normally provide notice of such changes on our website or through the Home Banking service. If you do not consent to a modification of this Agreement or the Service, you may terminate and discontinue your use of the Service at any time by notifying us in writing. You remain responsible for all transactions initiated before termination. You may not amend this Agreement unless we expressly agree to the amendment in writing.

22. Termination. We reserve the right to terminate this Agreement at any time by notifying you.

23. Headings. The titles and headings of the sections of this Agreement are for the sole convenience of the parties and are not intended for any other purpose or to explain, modify, or place any construction on any of the provisions of this Agreement.

24. Governing Law. This Agreement is entered into in Kerr County, Texas, and is governed by Texas law and applicable federal law.

25. Dispute Resolution. Any controversy or dispute arising under this Agreement that cannot be resolved through informal negotiations between the parties shall be brought in the courts of Kerr County, Texas, to the extent permitted by applicable law.

26. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto and supersedes all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof.

Mobile Remote Deposit Capture Guidelines and Limits

These Kerr County Federal Credit Union Remote Deposit Capture Guidelines and Limits are incorporated into and made a part of the Mobile Remote Deposit Capture Agreement (“Agreement”):

Contact Number for Inquiries and for Reporting Errors or Discrepancies. Telephone us at (830) 896-6800 or (800) 491-9594 for inquiries related to your remotely deposited checks and to report errors or discrepancies.

Approved Devices. Approved devices include those using the latest release of the Apple® and Android® operating systems. Other devices may not be supported.

Member Requirements. In order for your request for the Mobile Remote Deposit Capture to be approved, you must meet the following requirements.

- Satisfactory account(s) and in good standing with Kerr County FCU, with a minimum history of 90 days.
- Member must first be enrolled in Mobile Banking and have the Mobile Banking App.
- Satisfactory credit
- Absence of delinquent loan(s) or derogatory items on a consumer report.
- No history of returned items during the review period of 90 days
- No history of counterfeit check deposits.
- Valid e-mail address is required
- Valid Mobile phone number is required

If approved, we may terminate your privilege to use the Service at any time without advance notice if we believe you are not managing your accounts in a responsible manner or for other good cause.

Ineligible Items. You agree that you will not use the Service to capture an image of and deposit any checks or other items as shown below:

- Checks or items payable to any person or entity other than you or any joint owner on the account.
- Checks or items payable to you and another party who is not a joint owner on the account.
- Checks payable to a business, organization, or estate.
- Third party checks (e.g., a check payable to someone else and endorsed and signed over to you)
- Checks that are incomplete (e.g., any item that does not contain the signature of the maker, endorsement signature(s), or other required information).
- Check or items containing obvious alteration to any of the field on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- Checks or items previously converted to a substitute check, as defined by Reg CC.
- Checks or items drawn on a financial institution headquartered outside the United States.
- Checks or items that are Remotely Created Checks as defined in Reg CC and the Agreement.
- Checks or items not payable in United States Currency.
- Checks payable to “Cash”, “Kerr County FCU”, or “KCFCU”.
- Starter or counter checks.
- Money orders, traveler’s checks or Amex gift cheques.

- Checks or items dated more than 6 months prior to the date of the deposit.
- Checks or items that are post-dated and deposited prior to the date on that item.
- Checks that have previously been returned unpaid for any reason.
- Checks prohibited by Kerr County Federal Credit Union's current procedures relating to the Services or which are otherwise deemed unacceptable, in Kerr County Federal Credit Union's sole and absolute discretion.
- Checks issued by U.S. Treasury (e.g., IRS tax refund, Social Security, and U.S. Government pension checks).

Endorsements. All checks submitted for deposit must be endorsed with the following restrictive endorsement: "For Mobile Deposit Only at Kerr County Federal Credit Union" with your signature or as otherwise instructed by the Credit Union. All Endorsements must be in either blue or black ink as required for processing. You must keep your endorsement within 1 ½ inches of the trailing edge of the Check (the left side of the check looking at it from the front). Remember to retain the original Check for at least 60 days after we have notified you that we have accepted it.

Limits. We establish limits on the deposit amount and number of items or deposits from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times. Our current limits are set forth below, however, we reserve the right to change these limits at any time without prior notice to you.

- Limit per check deposit - \$5,000
- Daily Deposit Limit - \$10,000

Cutoff Time and Business Days. Our Cutoff Time is 4 p.m. Central Time, and our business days are Monday through Friday except for federal holidays, Good Friday, and any other posted Credit Union holidays.

Fees. At this time, there are no fees for using the Remote Deposit Capture Service except as apply to all checks and deposits as set forth in our Fee Schedule.