

UKRAINIAN NATIONAL FEDERAL CREDIT UNION REMOTE DEPOSIT CAPTURE SERVICES DISCLOSURE AND AGREEMENT

As a subscriber to Ukrainian National Federal Credit Union's (UkrNatFCU's) FLEXTeller, this Addendum ("Addendum") amends and becomes a part of the FLEXTeller Account Access Service and e-Statement Service Agreement and Terms and Conditions and the Membership and Account Agreement (collectively, the "Account Documentation") between UkrNatFCU and you (the business entity or individual). The terms of the Account Documentation are hereby ratified, affirmed and incorporated herein and shall continue to apply in all respects, as amended hereby.

This Agreement contains the terms and conditions for the use of any Remote Deposit Capture services ("the Service") that UkrNatFCU may provide to you. Other agreements you have entered into with UkrNatFCU, including the Membership and Account Agreement and Disclosures, as may be revised from time to time, remain effective and govern Your Account.

Change in Terms

Your use of the Service constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via e-mail or on our website(s) by providing a link to the revised Agreement. Your continued use of the Service will indicate your acceptance of the revised Agreement. Further, UkrNatFCU reserves the right, at its sole discretion, to change, modify, add, or remove portions from the Service. Your continued use of the Service will indicate your acceptance of any such changes to the Service.

Eligibility

For Existing Members, the Service will be offered to members in good standing owning a UkrNatFCU checking account without any NSF's within the last six (6) months.

For New Members, the Service will be offered following a six (6) month waiting period. Within the 6 month waiting period, the new member may not have any NSF's.

You will not be eligible to use the Service during the time that your mailing address or e-mail address is not valid.

The Service

1. The Service allows you to make certain deposits to your checking, savings, or money market account electronically by using a compatible mobile device to create an electronic image of a paper check or other paper source document only ("Item") payable in U.S. Dollars by scanning or photographing the Item and transmitting it

and related data to UkrNatFCU or UkrNatFCU's designated processor. As part of the Service, you must use software provided by UkrNatFCU and hardware acceptable to UkrNatFCU. You are solely responsible for information or data that is transmitted, supplied or key-entered by you, your employees or agents. Before you scan or photograph any original Item, you shall endorse all Items with your name, date, and the legend "For Remote Deposit Only, UkrNatFCU Account #_____".

2. **Check Requirements:** The image of an original item transmitted to UkrNatFCU using the Service must be legible and must comply with the requirements established from time to time by The American National Standards Institute ("ANSI"), National Automated Clearing House Association ("NACHA"), the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association. The digital image of the check transmitted to UkrNatFCU must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality established by the ANSI, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association. If you are unable to capture an accurate image, you may make the deposit at one of our branches.

Rejection of Deposit: We reserve the right to reject any item transmitted through the Service, at our discretion, without liability to you, including any service or late charges levied against you due to our rejection of any item. You are responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from UkrNatFCU that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.

3. You agree that after the Item has been scanned and submitted for deposit, you shall not otherwise transfer or negotiate the original Item, substitute check or any other image thereof. You further agree that you shall be solely responsible for the original Item, including storage for a period of no less than 90 days, retrieval and destruction.
4. Upon your receipt of a confirmation from UkrNatFCU that we have received the image of an item, you agree to securely store the item so that it is not re-presented

for payment. You must establish Security Procedures to safeguard original checks during the retention period to prevent the risk of theft; reproduction; unauthorized use; or the possibility of any fraudulent activity.

5. Any remote deposits made through the Service will be reflected on your monthly account statement. You agree to notify UkrNatFCU of any suspected errors regarding items deposited through the Service right away, and in no event later than 60 days after the applicable UkrNatFCU account statement is sent. If you believe there is an error on your monthly statement, contact us at 1-866-859-5848 immediately. Unless you notify UkrNatFCU within 60 days, such statement regarding all deposits made through the Service shall be deemed correct, and you are prohibited from bringing a claim against UkrNatFCU for such alleged error. You are responsible for any errors that you fail to bring to UkrNatFCU's attention within such time period.
6. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to UkrNatFCU as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for UkrNatFCU's audit purposes.
7. By using this Service, you allow UkrNatFCU to audit your Security Procedures regarding the retention and safeguarding the original checks to prevent the risk of theft, reproduction, or other unauthorized use of checks presented for deposit.
8. You agree to follow any and all other procedures and instructions for use of the Service as UkrNatFCU may establish from time to time. The automated processing of the large volume of checks we receive prevents us from inspecting or looking for special instruction, other restrictive endorsements or restrictive legends on every check. For this reason, we are not required to honor any restrictive endorsements other than the one noted above, or any restrictive legends placed on checks deposited using this service. We are not responsible for any losses, claims, damages or expenses that result from placement of these or any other special instructions on your deposited checks.
9. When using the Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Use of the Service may have qualification requirements; we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you.

10. You agree that the electronic image of the Item or any substitute check, as defined by federal law, will become the legal representation of the Item for all purposes (except for funds availability, including return items processing).
11. Returned Items. UkrNatFCU captures items for collection through the Federal Reserve Bank's image based check clearing process using bank of first deposit status. UkrNatFCU becomes a "reconverting bank" whereby it must make certain standard representations and warranties to banks downstream in the check clearing process. You agree to comply with all aspects of the provisions of Check 21. Please refer to your Membership and Account Agreement, as well as the Check 21 Disclosure for further information. A written notice will be sent to you of transactions we are unable to process because of returned items. If your deposited item is dishonored, you agree that you will receive an image of the original check. With respect to any item that you transmit to UkrNatFCU for remote deposit that we credit to your Account, in the event such item is dishonored, you authorize UkrNatFCU to debit the amount of such item from your Account.
12. Business Day and Availability Disclosure: Your business days are Tuesday through Saturday, except holidays. Your business hours are 9:00 a.m. to 3:00 p.m., Eastern Standard Time, each business day.
13. Funds Availability Policy: With regard to the availability of deposits made using the Services, such funds will be available as set forth below. This policy only applies to the availability of funds in transaction accounts. The credit union reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.
14. General Policy: For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If we receive a scanned Item at or before 3:00 p.m. Eastern Time on a business day we are open, we will consider that day to be the day of deposit. If we receive a scanned Item after 3:00 p.m. Eastern Time or on a weekend or a State or Federal Holiday, we will consider that the deposit was made on the next business day.
15. The first \$200.00 of the funds deposited via the Service may be available for withdrawal the next business day, and the balance of the deposit may be available for withdrawal 5 (five) business days after the day of deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.
16. Right to Hold: Funds that you deposit via Mobile Deposits may be subject to review and our internal check hold policy. Funds may not be available until the second

business day after the day of your deposit. We may apply additional delays on the availability of funds based on any other factors as determined by us at our sole discretion. We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available.

17. You agree to notify UkrNatFCU immediately if you change your email address, as this is the email address where UkrNatFCU will send notification to you of receipt of remote deposit items.
18. The manner in which the items are cleared, presented for payment, and collected shall be in UkrNatFCU's sole discretion subject to the Membership and Account Agreement, and Disclosures governing your account.
19. Federal Reserve Board Regulation CC (Availability of Funds) does not apply when you transmit the electronic images of Items to us. The maximum amount you may deposit on any day is \$2,000.00, and the maximum aggregate amount that you may deposit during any thirty (30) day period to an account is \$5,000.00.

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

UkrNatFCU processes items through an automated system by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and endorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that UkrNatFCU has not failed to exercise ordinary care solely because we use our automated system to process items and do not inspect all items processed in such a manner. Using an automated process helps us keep costs down for you and all account holders.

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

- further transmit the Item and data in the form received from you;
- repair or attempt to repair the Item or data and then further transmit it; or
- reject the Item to you unprocessed and charge back your account.

In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by UkrNatFCU from time to time. UkrNatFCU is not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

Accountholder Warranties

You represent and warrant to us, with respect to each image of an original check you transmit to UkrNatFCU, that:

- a. Any image we receive accurately and legibly represents all of the information on the front and back of the original Item as originally drawn, without any alteration, and the drawer of the check has no defense against payment of the check. The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate;
- b. The information you transmit to us corresponding to an Item contains a record of all applicable MICR-line information required for a substitute check and the accurate amount of the Item;
- c. The Item conforms to the technical standards for an Electronic Item set forth in Federal Reserve Board Regulation J, or Federal Reserve Bank operating circulars and for a substitute check set forth in Federal Reserve Board Regulation CC;
- d. You will not deposit or otherwise indorse to a third party the original Item (the original check), and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the Item (either the original Item, or a paper or electronic representation of the original Item) such that the person will be asked to make payment based on an Item that has already paid;
- e. Other than the digital image of an original check that you remotely deposit at UkrNatFCU through the Service, there are no other duplicate images of the original check.
- f. You have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check

- g. You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- h. You will not redeposit through this Service any Item previously deposited and returned to you unless we advise you otherwise;
- i. You will employ commercially reasonable security measures sufficient to protect transmissions and storage to ensure no unauthorized access or duplicate presentment. This means you have possession of each original check deposited using the Service and no party will submit the original check for payment;
- j. You will only transmit Items that originated as paper Items;
- k. You will not scan or transmit items received not made payable to you directly;
- l. You will not transmit items containing obvious alteration to any of the fields on the front of the 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 item is drawn;
- m. If the item you transmit is payable jointly, it will only be deposited into an account in the name of all payees;
- n. You will not transmit items drawn on a financial institution located outside the United States;
- o. You will not transmit items that are remotely created checks, as defined in Reg CC;
- p. You will only deposit items made payable in United States currency;
- q. You will not deposit items dated more than six (6) months prior to the date of deposit;
- r. You will not deposit items that have previously been submitted through a remote deposit capture service offered at any other financial institution;
- s. The information you provided in your Application remains true and correct and, in the event any such information changes, you will immediately notify UkrNatFCU of the change. Furthermore, you have not knowingly failed to communicate any material information to UkrNatFCU;
- t. The files and images you transmit to UkrNatFCU using the Service will contain no viruses or any other disabling features that may have an adverse impact on UkrNatFCU's network, data, or related systems;

- u. You will comply with all laws and regulations applicable to you in your use of the Service and not use the Service for any purpose prohibited by foreign exchange regulations, postal regulations or any other treaty, statute, regulation or authority.

DISCLAIMER OF WARRANTIES: YOU AGREE YOUR USE OF THE SERVICE 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. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THE SERVICE OR TECHNOLOGY WILL BE CORRECTED.

LIMITATION OF LIABILITY. YOU AGREE THAT UkrNatFCU WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICE INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICE, AND/OR YOUR BREACH OF THIS DISCLOSURE AND AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF UkrNatFCU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

Indemnification

In addition to the indemnities contained in the Account Documentation, you agree to defend, indemnify and hold us harmless for any loss or expense (including reasonable attorney’s fees and expenses of litigation) resulting from, but not limited to:

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

You agree that you will indemnify, defend, and hold UkrNatFCU harmless for any loss, liability, damage or expense that occurs because of your endorsement, another endorsement or information you have printed on the back of the check obscures our endorsement. These endorsement guidelines apply to both personal and business checks.

Grant of License

- a. **Title.** Except for the license granted to you hereunder, all rights and title in and to the Product, including any improvements, modifications, and derivative works, will at all times remain with us or our licensors, and you shall acquire no rights in the Product.
- b. **Use of Product.**
 - i. You agree that the Product will be used only by you, your Authorized Users, and/or your Affiliates, provided that each Authorized User/Affiliate agrees to be bound by the terms hereof and further that you will be liable for your Authorized User/Affiliates' acts and omissions in connection with the Product. For purposes of this Addendum, "Affiliates" and "Authorized User" means those entities that control, are controlled by or are under common control with you.
 - ii. Except as otherwise expressly provided herein, you will not copy, modify, or create derivative works of the Product or display, assign, sublicense, distribute, or otherwise transfer any interest in this Addendum or the Product to any third party.
 - iii. You will not, and will not permit others to, reverse engineer, reverse-compile, or reverse-assemble the Product or otherwise attempt to obtain source code for the Product.
 - iv. You shall use the Product solely for your personal or internal business purposes. For purposes of this clause, you may not use the Product for time sharing, rental, or service bureau purposes, or the sale, marketing or (except as otherwise expressly provided herein) commercial exploitation of the Product.
 - v. You will notify us in writing regarding any unauthorized use or disclosure of the Product immediately after it becomes known to you.
- c. **Confidentiality.**
 - i. You acknowledge that the Product constitute trade secrets and represent significant economic and commercial value to us and/or our licensors and

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

- ii. Your obligations under this Section survive termination of this Addendum.
- d. **Installation, Training and Maintenance.** You will be solely responsible for the installation, training and maintenance of the Product. It is your (and expressly not our) responsibility to establish reasonable backups, accuracy checks and security precautions to guard against possible malfunctions, loss of data and unauthorized access.
- e. **Patent Infringement.** In the event the Product becomes, or in our opinion are reasonably likely to become, the subject of a claim of infringement, you will allow us, at our option and expense, to replace the Product with a non-infringing alternative, modify the Product so that they become non-infringing or terminate the license.
- f. **Risk of Loss.** You will bear the entire risk of loss, destruction and damage to the Product from any cause whatsoever, and no such loss, destruction or damage shall impair any of your obligations hereunder which shall continue in full force and effect.
- g. **Export Control; Compliance with Laws.** You agree to use the products and the Service for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of your business if applicable. You will be responsible, at your expense, for complying with all laws and regulations applicable to use of the products and the Service, including, without limitation, laws and regulations pertaining to (i) exports or imports of software and related property; (ii) use or remote use of software and related property; or (iii) registration of this Addendum. You promise to indemnify and hold harmless us and our affiliates, employees and agents from and against all actions, claims, losses, demands, liabilities, litigation, damages (including reasonable attorneys' fees), or other harm arising from or in connection with any violation by you of any such laws or regulations. This indemnity will survive termination of your Account and this Agreement.

Storage of Original Checks

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

Unavailability of Services

You understand and agree that the Service may at times be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Service is unavailable, you acknowledge that you can deposit an original check at our branches or through our ATMs or by mailing the original check to us at Ukrainian National Federal Credit Union, 215 Second Avenue, New York, NY 10003-2735. It is your sole responsibility to verify that items deposited using the Service have been received and accepted for deposit by UkrNatFCU. However, UkrNatFCU will notify you via email of items that are rejected by the next business day following rejection.

Termination of Service

We reserve the right to terminate the Service at any time without notice to you. You may, however, by written request to UkrNatFCU, terminate the Service provided for in this Disclosure and Agreement. In the event of termination of the Service, you will remain liable for all transactions performed on your Account.

Limitations on Frequency and Dollar Amount

You understand and agree that you cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth in this agreement and disclosure by UkrNatFCU.

Unacceptable Deposits

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

- Any item drawn on your account or your affiliate's account.
- Any item that is stamped with a "non-negotiable" watermark.
- Any item that contains evidence of alteration to the information on the check.
- Any item issued by a financial institution in a foreign country.
- Any item that is incomplete.
- Any item that is "stale dated" or "post dated."
- Bonds (Savings Bonds)
- Any third party check, item(s) made payable to someone other than you or other authorized signers on the account
- Any item with a restrictive endorsement
- Money Orders and Travelers Checks.
- Checks or items that are drawn or otherwise issued by the U.S. Treasury Department.

In Case of Errors

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

Telephone UkrNatFCU at (212) 533-2980 or 1-866-859-5848 or e-mail UkrNatFCU at MemberServices@ukrnatfcu.org

Changes in Financial Circumstances

You understand and agree that you must inform UkrNatFCU immediately in the event of a material change in your financial circumstances or in any of the information provided in your Application, including any supporting financial information.

Miscellaneous.

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

You may not assign this Agreement. This Agreement shall be governed by the laws and regulations of the United States and the laws and regulations, including applicable principles of contract law of the State in which UkrNatFCU's main office is located. You agree to comply with all applicable laws, rules, and regulations relating to the Services and checks you deposit, including, without limitation, the Automated Clearing House Rules and Regulations and The Check Clearing for the 21st Century Act and Regulation CC promulgated by the Federal Reserve Board thereunder ("Check 21"). This includes, but is not limited to sanction laws administered by the Office of Foreign Assets Control (OFAC). It shall be your responsibility to obtain information regarding such OFAC enforced sanctions. Furthermore, you are required to adhere to all Regulation CC disclosures that are defined by the account opening Account and Membership Agreement furnished at time of account opening and defining the appropriate method for claim disputes maintained by UkrNatFCU as part of the compliance program set and in accordance with State and Federal law. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.