

Magnolia Federal Credit Union

Mobile Banking and Mobile Deposit Agreements

This Agreement governs your use of Mobile Banking services and Mobile Deposit services provided to you by Magnolia Federal Credit Union.

MOBILE BANKING TERMS AND CONDITIONS

For purposes of this Agreement, Mobile Banking means the financial services that Magnolia Federal Credit Union makes available, and to which you have access, using a wireless handheld device such as a cell phone, PDA, or tablet and includes, by way of example and not limitation, mobile web banking and banking initiated by means of a downloadable application.

Your use of Mobile Banking is subject to this Agreement and to the following, all of which are considered part of this Agreement:

1. Terms or instructions appearing on Magnolia Federal Credit Union's website and elsewhere when enrolling for, activating, accessing, or using Mobile Banking;
2. Magnolia Federal Credit Union's rules, procedures and policies, as amended from time to time, that apply to Mobile Banking or any Account you maintain with Magnolia Federal Credit Union;
3. Current rules and regulations, if any, of any funds transfer system or payment system used in connection with any Account; and
4. State and Federal laws and regulations, as specifically applicable.

In addition, each Account will continue to be subject to the Membership Agreement applicable to such Account. If this Agreement conflicts with the separate agreement to which an Account is subject, then this Agreement will control and take precedence, unless this Agreement expressly states otherwise. Please read this Agreement carefully and print a copy for your records. The first time you deposit a check through Mobile confirms your receipt and understanding of this Agreement.

USING A DOWNLOADABLE APPLICATION

Ownership. You acknowledge and agree that a third party provider to Magnolia Federal Credit Union, if applicable, is the owner of all right, title and interest in and to the downloadable software, the computer programs contained therein, and any accompanying user documentation (collectively called the Software).

License. Subject to the terms and conditions of this Agreement, you are hereby granted a limited, nonexclusive license to use the Software in accordance with the terms of this Agreement. All rights not expressly granted to you by this Agreement are hereby reserved by the owner of the Software. Nothing in this license will entitle you to receive hard-copy documentation, technical support, telephone assistance, or updates to the Software. This Agreement may be terminated at any time, for any reason or no reason. Upon termination, you agree to immediately destroy all copies of the Software in your possession or control.

Restrictions. You shall not: (i) modify, revise or create any derivative works of the Software; (ii) decompile, reverse engineer or otherwise attempt to derive the source code for the Software; (iii) redistribute, sell, rent, lease, sublicense, or otherwise transfer rights to the Software; or (iv) remove or alter any proprietary notices, legends, symbols or labels in the Software, including, but not limited to, any trademark, logo or copyright.

Disclaimer of Warranty. The software is provided on an as is and as available basis without warranties of any kind, either express or implied, including, but not limited to, the implied warranties of merchantability, fitness for a particular purpose and noninfringement. No warranty is provided that the software will be free from defects or viruses or that operation of the software will be uninterrupted. Your use of the software and any other material or services downloaded or made available to you through the software is at your own discretion and risk, and you are solely responsible for any damage resulting from their use.

Limitation of Liability. To the maximum extent permitted by applicable law, in no event will Magnolia Federal Credit Union, the provider of any financial services available through or related to the software, any of their contractors or providers or any of each of their affiliates be liable for any damages arising out of the use or inability to use the software, including but not limited to any general, special, incidental or consequential damages, even if advised of the possibility thereof, and regardless of the legal or equitable theory (contract, tort or otherwise) upon which any claim is based.

Miscellaneous. This Agreement constitutes the entire agreement between the parties concerning Mobile Banking. This Agreement will be governed by and construed in accordance with the laws of the state of Mississippi, excluding that body of laws pertaining to conflict of laws. The parties expressly consent to jurisdiction and venue thereof and therein. The parties confirm that this Agreement and all related documentation is and will be in the English language. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, such provision will be enforced to the maximum extent possible and the other provisions will remain effective and enforceable. The application of the United Nations Convention on Contracts for the International Sale of Goods is hereby expressly waived and excluded.

Content and Services. Neither Magnolia Federal Credit Union nor the provider of the wireless network is the provider of any financial services available through or related to the Software, and neither Magnolia Federal Credit Union nor the provider of the wireless network or any contractor of the provider of the financial services available through or related to the Software, is responsible for any of the materials, information, products or services made available to you via the Software.

MOBILE DEPOSIT TERM AND CONDITIONS

Mobile Deposit provides you the ability to access and make deposits to your designated eligible Accounts using the Software referenced above. Mobile Deposit is designed to take advantage of the Check Clearing for the 21st Century Act and its regulations (collectively, Check 21). Mobile Deposit enables you to use a compatible handheld device to capture an image of original paper checks (Original Checks) that are drawn on or payable through U.S. financial institutions (each a Check Image) and to electronically submit the Check Image and associated deposit information to Magnolia Federal Credit Union from your home or other Mobile locations for deposit into a designated eligible Account for collection thereafter by Magnolia Federal Credit Union. A Check Image submitted to Magnolia Federal Credit Union electronically for deposit is not deemed received until Magnolia Federal Credit Union accepts and confirms receipt of your Check Image deposit.

Your use of Mobile Deposit is subject to these requirements:

1. You must have or acquire and maintain a compatible handheld device and a wireless plan from a compatible wireless carrier.
2. You must qualify, and Magnolia Federal Credit Union must approve, your eligibility.

You may scan and submit Check Images for deposit to Magnolia Federal Credit Union within the dollar limits (Deposit Limits) established for you by Magnolia Federal Credit Union. Magnolia Federal Credit Union reserves the right to limit the frequency and dollar amount of deposits submitted through Mobile Deposit. If you exceed the Deposit Limits established for you, Magnolia Federal Credit Union may in its sole discretion accept or refuse the Check Image deposit. If at any time Magnolia Federal Credit Union accepts a Check Image deposit that exceeds your Deposit

Limits, Magnolia Federal Credit Union will have no obligation to do so in the future. Magnolia Federal Credit Union may at any time at its sole discretion raise or lower your Deposit Limits. The maximum dollar amount for scanned items per business day may vary based upon the approval tier you are assigned.

By requesting access to Mobile Deposit, you authorize Magnolia Federal Credit Union to provide you with access to all of the Share Accounts eligible for Mobile Deposit, which are a Primary Savings Account or a Checking Account and other Accounts as may be eligible in the future.

Scanning and submitting Check Image deposits does not constitute approval of the deposit by Magnolia Federal Credit Union. Generally, Check Image deposits received prior to 4:30 PM Central Time are posted to your account on the Business Day of receipt. Any Check Image deposit that requires review or that is received after 4:30 PM Central Time or on Saturdays, Sundays, federal holidays, and Christmas Eve will be posted on Magnolia Federal Credit Union's next Business Day. Acknowledgment that your Check Image deposit has been received by Magnolia Federal Credit Union does not mean that the Check Image deposit was received error free.

You agree that you will use Mobile Deposit to scan only Original Checks payable to and properly endorsed by you, drawn on financial institutions in the United States with a valid ABA/Routing Number and denominated in U.S. Dollars, and intended for deposit by you to your designated Account with Magnolia Federal Credit Union. All other items may be deposited by alternate methods such as in person or by mail.

You understand that Magnolia Federal Credit Union is not obligated to accept for deposit any Check Image that Magnolia Federal Credit Union in its sole discretion determines to be ineligible for Mobile Deposit. Ineligible items include: Check Images of items drawn on banks located outside the United States, Check Images that are illegible, images of checks previously converted to Substitute Checks as defined by Check 21, and Check Images with unreadable MICR information. The quality of any Check Image must comply with the requirements established from time to time by any regulatory agency, clearing house or association. You acknowledge and agree that even if Magnolia Federal Credit Union does not identify a Check Image as ineligible, the Check Image may be returned to Magnolia Federal Credit Union because, among other reasons, the Check Image or any Substitute Check created from the Check Image is deemed ineligible by the financial institution upon which it is drawn or any intermediate collecting financial institution. Magnolia Federal Credit Union's failure to identify a Check Image you transmit to Magnolia Federal Credit Union as ineligible shall not preclude or limit your obligations.

You agree to be responsible for safekeeping and destruction of original items which are scanned, transmitted electronically and deposited using Mobile Deposit and indemnify and hold Magnolia Federal Credit Union harmless from any liability with respect to (i) the safekeeping, use or destruction of the original items after they are scanned, transmitted and deposited electronically, or (ii) for any items being submitted for deposit or presented for payment more than once. You agree that once a check has been deposited through the Mobile Deposit service the original physical check is your property and not the property of Magnolia Federal Credit Union. You agree to retain the original check for a period of at least 90 days and to then properly destroy the original check in a manner that does not allow the original check to be accessed by an unauthorized person(s) and in a manner so that the original check is no longer readable or capable of being reconstructed. While the original check is in your possession, you agree to use a high degree of care to safeguard the original check against security risks. Security risks should include, among other things, the theft or reproduction of the original check or unauthorized use of the information on the check.

Once you have used Mobile Deposit to deposit a check, you agree not to present or to attempt to present the original check or a substitute check of the original check again for deposit through Mobile Deposit or through any other means. You agree to write "MOBILE DEPOSIT" on the face of the check once it has been deposited using Mobile Deposit. You further agree not to allow anyone else, either directly or indirectly, to present or attempt to present the original check or a substitute check of the original checks for deposit by any means. Should you or another party present or attempt to present a check or substitute check in violation of this section, the amount of the check will be debited from your account, and you agree to indemnify, defend and hold Magnolia Federal Credit Union and its agents harmless from and against all liability and damages that may result from any claims, suits or demands from third parties with respect to the represented original or substitute check.

You make the following representations and warranties:

1. You shall not alter any Original Check or Check Image and shall review the Check Image to ensure that it accurately represents all of the information on the front and the back of the Original Check at the time you scanned the Check Image. The Original Check must be endorsed on the back with "Magnolia FCU – Mobile Deposit".
2. You shall submit to Magnolia Federal Credit Union only Check Images that are suitable for processing, including, but not limited to, Check Images that are legible and contain machine-readable MICR data.
3. You shall be responsible for safekeeping or destruction of the Original Checks as stated above.
4. The credit union will provide you with periodic statements that will identify the deposits that you make using Mobile Deposit service. You agree that it is your responsibility to review your periodic statement to verify that deposits made through the Mobile Deposit service have been received and are accurate. You agree to notify us promptly by email or by telephone within the applicable time period as specified by federal/state law of any error or irregularity.
5. You shall not submit to Magnolia Federal Credit Union or to any other person or entity for deposit or credit any Original Check if a Check Image of the Original Check has already been submitted and accepted for deposit into your Account with Magnolia Federal Credit Union or which you previously submitted to and was accepted by any other person or entity for deposit.
6. You shall not deposit into your Account with Magnolia Federal Credit Union or any other deposit taking institution, or otherwise negotiate or transfer to anyone, any Original Check that you submitted as a Check Image deposit to Magnolia Federal Credit Union, unless following receipt of your submission, Magnolia Federal Credit Union notifies you that the Check Image is ineligible and not accepted for deposit or that the Check Image or any Substitute Check created from the Image is refused by the financial institution upon which it is drawn.
7. You shall indemnify, defend, and hold Magnolia Federal Credit Union and its agents from and against all liability, damage and loss arising from any claims, suits, or demands, brought by third parties with respect to any Check Image, Substitute Check, or Original Check processed through Mobile Deposit as described above.
8. You shall use Mobile Deposit only for your own personal, home office, or small business use in accordance with the terms of this Agreement. You shall not make Mobile Deposit available or transfer your rights to use Mobile Deposit for the benefit of any third party.

Acceptance of Items for Deposit. You agree that Magnolia Federal Credit Union can at any time and in its sole discretion refuse to accept any particular check or checks for deposit through Mobile Deposit service. For example, we may not accept the following types of checks for deposit:

- Photocopies of Checks
- Checks drawn on an institution located outside of the United States
- Certificates of Deposit
- IOUs or other similar items
- Checks where there is a duplicate code line
- Check missing the routing/transit number in the code line
- Re-deposited checks
- Checks with an invalid routing/transit number

- Checks that contain a restrictive endorsement
- Checks on which there has been an obvious alteration
- Checks that are not signed by maker (except for items where a maker's signature is not required)
- Checks made payable to a business but is being deposited into a personal account
- Checks that are post-dated

Magnolia Federal Credit Union will also not accept checks that do not meet our quality standards. This could include, but is not limited to:

- Checks where the front image file is too large or too small
- Checks where the front and/or back image is too dark or too light
- Checks where the front and/or back image is undersize or oversize
- Checks where the rear image has a dimension mismatch
- Checks where there is a discrepancy between the numerical and written amounts may be accepted for deposit and processed for the written amount

In the event that the Mobile Deposit service is interrupted and not available, you may choose to deposit your check or checks at an ATM, CO-OP Shared Branch location or at any Magnolia Federal Credit Union branch location.

Magnolia Federal Credit Union will acknowledge receipt of your Check Image deposit submitted through Mobile Deposit and notify you if a Check Image is not eligible for deposit. Magnolia Federal Credit Union's ability to provide Mobile Deposit is conditioned upon the availability of the wireless or computer services and systems used in transmitting your requests and Magnolia Federal Credit Union's response. Magnolia Federal Credit Union shall not be liable or responsible for any loss or damage incurred due to the failure or interruption of Mobile Deposit, wireless or computer services, or systems, resulting from the act or omission of any third party or other causes not reasonably within Magnolia Federal Credit Union's control. All fees and charges stated in the Truth in Savings Rate and Fee Schedule will remain in effect when you access your Account using Mobile Deposit.

Availability of Funds. The funds you deposit through Mobile Deposit may not be immediately available to you. The funds for the checks that are deposited using the Mobile Deposit service will be available in accordance with Magnolia Federal Credit Union's Funds Availability Policy. A copy of our most recent policy can be obtained on our website. In order to determine the availability of your funds, you will need to determine the date that the checks are received by the credit union. If you successfully complete the scanning process and receive your electronic deposit receipt prior to 4:30 PM Central Time, your deposit may be posted to your account the same day. Any Check Image deposit that requires review or that is received after 4:30 PM Central Time or on Saturdays, Sundays, federal holidays, and Christmas Eve will be posted on Magnolia Federal Credit Union's next Business Day. Acknowledgment that your Check Image deposit has been received by Magnolia Federal Credit Union does not mean that the Check Image deposit was received error free. You acknowledge that Magnolia Federal Credit Union reserves the right to return checks to you and to deduct the deposited funds, plus any applicable fees, if we determine that the check does not conform to our deposit or image standards.

Disclaimer of Warranties. You agree your use of Mobile Deposit 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. Magnolia Federal Credit Union disclaims all warranties of any kind as to the use of the services, whether express or implied, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose and noninfringement. Magnolia Federal Credit Union makes no warranty that Mobile Deposit (i) will meet your requirements, (ii) will be uninterrupted, timely, secure, or error free, (iii) that the results obtained from Mobile Deposit will be accurate or reliable, and (iv) that any errors in the services or technology will be corrected. In no event will Magnolia Federal Credit Union be liable to you for any consequential, incidental, or indirect damage arising out of the use, misuse or inability to use Mobile Deposit or for any loss of data, even if Magnolia Federal Credit Union has been advised of the possibility of such damage.

You agree that Magnolia Federal Credit Union may provide you with all disclosures, notices, and other communications about Mobile Deposit, and any future amendments, changes, or additions to this Agreement in electronic form. At your request, Magnolia Federal Credit Union agrees to provide you with a paper copy of this Agreement by calling 601-977-8300. Your consent to receive notices and updates in electronic form only will apply for as long as you use Mobile Deposit. You may withdraw your consent to receive electronic communications at any time by calling 601-977-8300. This Agreement may be downloaded at www.magfedcu.org.

Magnolia Federal Credit Union may amend or change the terms and conditions stated in this Agreement (including changes in the fees and charges hereunder) by giving notice to you as required by law or regulation. Prior notice need not be given where an immediate change in terms or conditions is necessary to maintain or restore the security of Mobile Deposit or the safety of Magnolia Federal Credit Union's relationship with you or is otherwise required immediately by law or applicable regulation.

The following provisions are applicable to sole proprietorships, partnerships, limited liability companies, corporations, and other forms of business organization that are not consumer accounts and are not maintained primarily for personal, family, or household purposes:

Magnolia Federal Credit Union is not responsible for any loss, injury or damage, whether direct, indirect, special, consequential, exemplary, economic or otherwise, caused by Mobile Deposit or the use of Mobile Deposit except as otherwise expressly provided for in this Agreement or by applicable law. You are responsible for any unauthorized use of Mobile Deposit and any loss or damages incurred due to the unauthorized access to your Accounts.

If any person with authorized access through Mobile Deposit is no longer authorized, it is your responsibility to notify Magnolia Federal Credit Union. Magnolia Federal Credit Union shall not be liable or responsible to you for any transactions conducted by any person whose authority to conduct transactions is no longer in effect until Magnolia Federal Credit Union is expressly notified.