

MOBILE DEPOSIT DISCLOSURE AND AGREEMENT

In this Mobile Deposit Disclosure and Agreement (“Disclosure and Agreement”), the words “we,” “us,” “our” and “HawaiiUSA” refer to HawaiiUSA Federal Credit Union. The words “you,” “your,” or “yours” refer to the consumer or business who uses any of the mobile deposit services (the “Services”) described in this Disclosure and Agreement. The deposit account disclosures you received when you opened your account(s) with us (titled “Important Account Information for Our Members”) are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement and the deposit account disclosures, this Disclosure and Agreement will control.

Use of the Services. The Services are designed to allow you to make deposits to your checking, savings, or money market savings accounts from remote locations by electronically transmitting a digital image of your paper checks to us or our designated processor. Following your registration for the Services, you are authorized by us to remotely deposit paper checks you receive to your account with us (the “Account”) by electronically transmitting a digital image of the paper checks to us for deposit. Your use of the Services constitutes your acceptance of the terms and conditions of this Disclosure and Agreement.

Upon our receipt of the digital image, we will review the image for acceptability and will convert items meeting our requirements into substitute checks to facilitate the deposit and collection of such items. You understand and agree that receipt of an image does not occur until after we notify you of receipt of the image via onscreen messaging and/or email notification. You understand that, in the event you receive a notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive. Following receipt of the image, we may process the image by preparing a “substitute check” or clearing the item as an image. For purposes of this Disclosure and Agreement, a “substitute check” (as defined in Federal Reserve Board Regulation CC) is a check reproduction of an original check that:

- Contains an image of the front and back of the original check;
- Bears a MICR (Magnetic Ink Character Recognition) line that contains all the information appearing on the MICR line of the original check at the time the original check was issued and any additional information that was encoded on the original check’s MICR line before an image of the original check was captured.
- Conforms in paper stock, dimension, and otherwise with ANSI X9.100-140 and
- Is suitable for automated processing in the same manner as the original check.

Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for mobile deposit into your Account and, in the event we reject an item for mobile deposit, you understand and agree that you must deposit the original item. You understand and agree that even if we do not initially reject an item you deposit through the Services, we may return the substitute check we created because, among other reasons, the paying bank deems the electronic image illegible. Our failure to reject such an item shall not limit your liability to us. You understand that any amount credited to your Account for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check.

Hardware and Software Requirements. In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by HawaiiUSA from time to time. You are solely responsible for electronically transmitting deposit items, accessing the Services from HawaiiUSA and for maintaining your equipment. You will be responsible for the payment of all telecommunications expenses associated with your use of the Services. HawaiiUSA will not be responsible for providing or servicing any equipment for you. Further, HawaiiUSA is not responsible for any third party software you may need to use the Services. Any such third party 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. You agree it is your responsibility to safeguard any mobile device or equipment you employ to use the Services, and to use reasonable security procedures, including up-to-date software and web browsers, and anti-virus software. [Click here](#) to view hardware and software requirements.

Member Eligibility. You understand that you must be a Credit Union member in good standing to be eligible to register for the Services. Eligibility is at the sole discretion of the Credit Union. We may suspend or permanently revoke the Services at any time, in our sole and absolute discretion, based on eligibility criteria established by us.

Compliance with Law. You agree to use the Services for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the banking transactions contemplated hereunder. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which we are a party that govern the Services we provide. You promise to indemnify and hold us harmless from any damages, liabilities, costs, expenses (including attorneys' fees) or other harm arising out of any violation thereof. This indemnity will survive termination of your Account and this Disclosure and Agreement.

Check Requirements. Any image of a check that you transmit to us must accurately and legibly provide all the information on the front and back of the check at the time presented to us by the drawer. Prior to electronically transmitting a digital image of the original check, you will endorse the back of the original check. Your endorsement will include "**For HawaiiUSA Mobile Deposit Only**" and **your signature** or as otherwise instructed by us. You agree to follow any and all procedures and instructions for use of the Services as we may establish from time to time. The digital image of the check transmitted to us must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); (2) other information placed on the check prior to the time an image of the check is captured, including but not limited to any required identification written on the front of the check and any endorsements applied to the back of the check, the amount and payee stated on the check; and (3) your endorsement. The image quality for the check will meet the standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve, including the requirements under federal Regulation CC, and any other regulatory agency, clearinghouse or association.

Rejection of Deposit. We reserve the right to reject any item transmitted through the Services, in our sole and absolute discretion, without incurring any liability to you. If we decide to reject any item transmitted through the Services, we will notify you via email. We are not liable for any service or late charges levied against you due to our rejection of any item. In all cases, you are

responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

Items Returned Unpaid. A notice will be sent to you of transactions we are unable to process because of returned items. With respect to any item that you transmit to us for mobile deposit that we credit to your Account, in the event such item is dishonored, you authorize us to debit the amount of such item from the Account, plus a Returned Deposited Item fee as stated in our Schedule of Fees and Charges.

Email Address. You acknowledge that you are required to maintain a current email address where we will send you notifications and communications under this Disclosure and Agreement. You agree to notify us immediately if you change your email address, as this is the email address where we will send you notification of receipt of remote deposit items and other important notices.

Unavailability of Services. You understand and agree that the Services may at times be temporarily unavailable due to system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event that the Services are unavailable, you acknowledge that you can deposit an original check at our branches or through our ATMs or by mailing the original check to us at 1226 College Walk, Honolulu, Hawaii 96817. It is your sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by us. However, we will email notification of items that are rejected by the next business day following rejection.

Business Days. For purposes of this Disclosure and Agreement, our business days are Monday through Friday. Saturdays, Sundays and federal holidays are not included.

Funds Availability. You understand that following our receipt and processing of the image, funds from the check will be made available for your withdrawal and/or use in accordance with the terms and conditions of our Funds Availability Policy previously provided to you, as amended from time to time, which is incorporated herein by reference. For purposes of determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you transmit a check image through the Services before 1:00 p.m. HST on a business day that we are open, we will consider that day to be the day of your deposit. However, if you transmit a check image through the Services after 1:00 p.m. HST, or on a day we are not open, we will consider the deposit to have been made on the next business day we are open. You understand and agree that, for purposes of deposits made using the Services, the place of deposit is Honolulu, Hawaii. You understand that we may make such funds available sooner based on such factors as creditworthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant. You also understand that credit is provisional until settlement is final.

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

- 1) Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check as of the time it is deposited through the Services, without any alteration, and the drawer of the check has no defense against payment of the check.
- 2) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.

- 3) You will not deposit or otherwise endorse to a third party the original item (the original check) or image or copy thereof and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (whether the original item, an electronic check, electronic returned check, substitute check, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
- 4) Other than the digital image of an original check that you remotely deposit through the Services, there are no other duplicate images of the original check.
- 5) You have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- 6) You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- 7) You have not knowingly failed to communicate any material information to us.
- 8) Each check you submit for deposit has not been materially altered.
- 9) You will retain possession of each original check deposited using the Services for the required sixty (60) day retention period and no party will submit the original check for payment.
- 10) Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.
- 11) You will not use the Services and/or your Account for any illegal activity or transactions.
- 12) Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories.
- 13) You will not present the check more than once.

Check Retention and Destruction. You must securely store each original check. Upon your receipt of a confirmation from us that we have received the image of an item, you agree to prominently mark the item as **“VOID”** to ensure that it is not re-presented for payment. You agree to securely store each original check that you deposit using the Services for a period of sixty (60) days after transmission to us in order to verify settlement and credit or to balance periodic statements. 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. You agree never to re-present the check. During the retention period, you will promptly provide any retained check, or a sufficient copy of the front and back of the check, to us as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for our audit purposes. If you are unable to provide a sufficient copy of the front and back of the check you will be liable for any unresolved claims by third parties.

Ownership & License. You agree that we retain all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this Disclosure and Agreement. Without

limiting the effect of the foregoing, any breach of this Disclosure and Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner; (ii) for any purpose which would be contrary to our business interest; or (iii) to our actual or potential economic disadvantage in any aspect. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.

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

Accountholder's Indemnification Obligation. You understand and agree that you are required to indemnify, defend and hold harmless HawaiiUSA and our directors, officers, employees, members and agents (the "Indemnified Parties") from and against any and all losses, fees, claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses resulting or arising from: (i) your use of the Services; (ii) your breach of this Disclosure and Agreement; (iii) the willful misconduct, fraud, criminal activity, intentional tort or negligence of you, your employees, consultants and/or agents involving use of the Services; (iv) the actions, omissions or commissions of you, your employees, consultants and/or agents relating to the Services; and (v) any transmission or instruction, whether or not authorized, acted upon by us in good faith. You shall be provided with prompt notice of any claims and given full authority and assistance (at your expense) for the defense of any such claims, provided that HawaiiUSA may participate in such defense and settlement with counsel of HawaiiUSA's own choosing at HawaiiUSA's own expense. However, you shall have no authority to settle any claim against any Indemnified Party without the prior written consent of such Indemnified Party (which consent shall not be unreasonably withheld). You understand and agree that this paragraph shall survive the termination of this Disclosure and Agreement.

Periodic Statement and Your Duty to Report Errors. Any mobile deposits made through the Services will be reflected on your monthly periodic statement. In case of errors or questions about your mobile deposits, call us at 808-534-4300 or toll-free 1-800-379-1300 or send us a written notice at HawaiiUSA Federal Credit Union, 1226 College Walk, Honolulu, HI 96817 as soon as you can if you think your statement is wrong or if you need more information about a transaction listed on the statement. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appears. In your notice you must:

- 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 it 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 ten (10) business days.

We will tell you the results of our investigation within ten (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 forty-five (45) days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (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 ten (10) business days, we may not credit your account.

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

If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents used in our investigation.

LIMITATION OF LIABILITY. YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE RESPONSIBLE OR LIABLE FOR ANY LOSS, INJURY, OR DAMAGES, WHETHER 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 OR ATTRIBUTABLE TO THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR ATTRIBUTABLE TO: (A) THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THE SERVICES, (B) THE INTERNET PROVIDER OR ANY RELATED SOFTWARE, OR YOUR OR OUR USE OF ANY OF THEM, (C) THE INSTALLATION, USE, OR MAINTENANCE OF YOUR MOBILE DEVICE, PERSONAL COMPUTER, ANY RELATED SOFTWARE, OR OTHER EQUIPMENT, OR (D) YOUR BREACH OF THIS DISCLOSURE AND AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF.

Charges for Use of the Services. HawaiiUSA currently does not assess any fees for the use of the Services. HawaiiUSA, in its sole discretion, reserves the right to assess a fee in the future. Other fees and charges may apply in connection with your use of the Services, such as Returned Deposited Item fees or Non-Sufficient Funds fees (see Schedule of Fees and Charges). If an item you transmit for deposit is dishonored, rejected or otherwise returned unpaid, you agree that we may charge back the amount of the return to the account the check was originally deposited to and you will be assessed a fee in the amount shown on HawaiiUSA's Schedule of Fees and Charges for a returned check.

DISCLAIMER OF WARRANTIES. YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICES IS AT YOUR RISK. YOU ALSO UNDERSTAND AND AGREE THAT THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. YOU UNDERSTAND THAT WE DO NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE ALSO MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED FROM USING THE SERVICES WILL BE ACCURATE OR RELIABLE, OR THAT ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

Change in Terms. We reserve the right to amend, modify, add to, or delete from this Disclosure and Agreement from time to time by notifying you of such change via email at the email address you have provided to us. Your use of the Services after receipt of notification of any change by us constitutes your acceptance of the change.

Termination of the Services. You may, by written request, terminate the Services provided for in this Disclosure and Agreement. You must allow up to three (3) business days for your request to be processed. We may suspend or terminate your use of the Services at any time, with or without cause, without notice to you. In the event of termination of the Services, you will remain liable for all transactions performed on your Account. Upon termination, (i) you will immediately cease using the Services and (ii) you shall promptly remit all unpaid sums due under this Disclosure and Agreement, if any. HawaiiUSA may immediately suspend or terminate your access to the Services in the event that HawaiiUSA reasonably determines such suspension or termination is necessary in order to protect the Services or HawaiiUSA from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Disclosure and Agreement or are otherwise using the Services in a manner inconsistent with the terms of this Disclosure and Agreement or with applicable law.

Relationship to Other Disclosures. The information in this Disclosure and Agreement applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of your Account.

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

Limitations on Frequency and Dollar Amount. We reserve the right to impose limits on the amount(s) that you transmit using the Services and to modify such limits from time to time. You understand and agree that you cannot exceed the limitations on dollar amounts of mobile deposits that are set forth by us. Deposit limits will be separately disclosed to you via email after you register for the Services.

Eligible Items for Deposit. You agree to deposit only “checks” as that term is defined in Federal Reserve Board Regulation CC. You agree that the image of the check transmitted to us shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code as adopted in Hawaii. For purposes of this Disclosure and Agreement, “check” means a negotiable demand draft that is drawn on:

- Or payable through or at an office of a bank or credit union;
- A Federal Reserve Bank or a Federal Home Loan bank; or
- A state or local government that is not payable through or at a bank or credit union.

For purposes of this Disclosure and Agreement “item” means an instrument or a promise or order to pay money handled by a financial institution in the U.S. for collection or payment. The term does not include a payment for ACH or wire transfers. Subject to the “Unacceptable Deposits” section below, examples of eligible items for deposit include, but are not limited to, personal, business, cashier’s and U.S. government checks that are made payable to and endorsed by you, are payable in U.S. dollars, and drawn on a financial institution in the U.S.

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

- 1) Any item drawn on your personal account at HawaiiUSA.
- 2) Any item that is stamped “non-negotiable” whether in print or as a watermark.
- 3) Any item that contains evidence of alteration to the information on the check.
- 4) Any item issued to you by a financial institution in a foreign country.
- 5) Any item that is incomplete.
- 6) Any item that is “post dated” after the date of deposit.
- 7) Savings Bonds.
- 8) Any third party check, i.e., any item that is made payable to another party and then endorsed to you by such party.
- 9) Any check previously converted to a “substitute check,” as defined in Regulation CC.
- 10) Any item that is dated more than six (6) months prior to the date of deposit.
- 11) Any item that has been re-deposited or returned such as “nonsufficient funds” or “refer to maker” or returned for any other reason.
- 12) Cash.
- 13) Government-issued warrants.
- 14) Any item (including tax refund checks and other government checks) made payable to more than one party, where not all parties are owners or signers on the account.
- 15) Any item with a qualified endorsement (example: without recourse, John Doe).
- 16) Any item with a conditional endorsement (example: pay to the order of John Doe, when car is fixed).
- 17) A money order or United States Postal Service money order.
- 18) A Traveler’s check drawn on or payable through or at a bank or credit union.
- 19) U.S. Treasury Checks.

Deposits of this nature may result in the immediate termination of the Services.

Confidentiality. You acknowledge and agree that confidential data relating to our Services, marketing, strategies, business operations and business systems (collectively, “Confidential Information”) may come into your possession in connection with this Disclosure and Agreement.

You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of our Confidential Information.

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

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

Force Majeure. You understand and agree that we are not responsible or liable for any loss, liability, damages, expenses, or cost of any kind resulting from any delay or interruption in the Services due to causes beyond our reasonable control.

Survival. Sections of this Disclosure and Agreement entitled "Use of the Services," "Compliance with Law," "Accountholder's Indemnification Obligation," "Limitation of Liability," and "Disclaimer of Warranties" shall survive termination of this Disclosure and Agreement.

Other Terms. You may not assign this Disclosure and Agreement. A determination that any provision of this Disclosure and Agreement is unenforceable or invalid shall not render any other provision of this Disclosure and Agreement unenforceable or invalid.

Additional Terms and Conditions Applicable to Business Accounts

In addition to the above, the following terms and conditions apply to the use of the Services by a business member. In this section, the words "Member," "you," or "your" refer to the business.

Authority. Member warrants and represents to HawaiiUSA that it has full and complete authority to enter into this Disclosure and Agreement. HawaiiUSA may accept oral or written instructions (including written instructions sent via facsimile or other electronic transmission) from any person who is described as an authorized representative or authorized person of Member (collectively, "Authorized Person"). We may require further written confirmation of instructions given orally or by facsimile. Each Authorized Person is authorized to conduct any transaction within the scope of the Services. We may rely on any written notice containing signatures of an Authorized Person if we believe, in good faith, that the signature is genuine. Each Authorized Person may act alone notwithstanding any instruction to HawaiiUSA that two or more Authorized Persons must act jointly. If we receive conflicting instructions from Authorized Persons, we may: (1) honor one or more of the instructions received; (2) refuse to honor any of the instructions until HawaiiUSA receives instructions to which all Authorized Persons agree; or (3) submit to a court all funds which are subject to the conflicting instructions (at which time HawaiiUSA shall be automatically discharged from any obligations with respect to such funds).

No Litigation. There is no action, suit or proceeding pending or to Member's knowledge threatened which, if decided adversely, would impair Member's ability to carry on its business substantially as now conducted or which would adversely affect Member's financial condition or operations.

Information. All information provided by you to us is true and complete and properly reflects the business, financial condition and principal partners, owners, or officers of Member.

Change in Structure. Member shall provide written notice to HawaiiUSA of any changes to the information provided by Member to HawaiiUSA, including but not limited to: additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided, and method of conducting sales. Such notice must be received by us within five (5) business days of the change. Further, upon our request, you shall provide updated information within five (5) business days of such request. We retain the right to: (1) review your business activity from time to time to confirm that you are conducting business as stated by you; and (2) re-price or terminate the Services based on changes to the facts previously stated by you.

Statement of Business Purpose. Member agrees that Member has represented to HawaiiUSA that Member is using the Services for business and/or commercial purposes and that the Services will only be used for business and/or commercial purposes. Member agrees that it will not use the Services for any personal, family or household purposes.

Extension of Credit. We may require you to have specified amounts of collected or available funds in your account(s) at HawaiiUSA at certain times. We are never obligated to extend credit to you unless we have specifically agreed to do so in a separate writing and any conditions to that obligation have been satisfied. However, we have the option to extend credit to you from time to time by permitting overdrafts in your accounts, delaying collection of amounts due or otherwise. If we extend credit to you, the outstanding principal balance is immediately due and payable and will bear interest from the date the credit is extended until it is repaid at an annual interest rate determined by HawaiiUSA. If we do not elect to extend credit to you, you must provide

immediately available funds sufficient to satisfy your obligations under this Disclosure and Agreement.

Inspection. Upon reasonable advance notice from us to you, we shall have the right to inspect your books and records and to make on-site visits to any and all Member locations with regard to all information deemed by us to be necessary or pertinent to your use of the Services. Information subject to our right of inspection shall include all information maintained by Member with respect to Member's customers, clients, vendors and processors (including audits) if, in our opinion, Member's relationship with such customers and clients is materially related to the transactions and Services conducted through us under this Disclosure and Agreement. Physical site visits may be conducted to ensure notification and communication processes and disclosure requirements are being followed with respect to those addressed under this Disclosure and Agreement.

Check Retention and Destruction. If you are using the Services 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 by your authorized personnel. For the retention period described above in the Section entitled "Check Retention and Destruction," original checks shall be maintained in a secure fashion under procedures similar to which Member maintains other confidential or proprietary information. Member shall take appropriate security measures to ensure that only authorized personnel who are fully bonded and have passed a thorough screening shall have access to the original checks.

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

Changes in Financial Circumstances. You understand and agree that you must inform us immediately in the event a material change in Member's financial circumstances occurring after registration for the Services. If you are using the Services to deposit items into an Account in the name of a business to which you are a party, this includes, but is not limited to, notification of the following: (a) changes in transaction volumes at your business; (b) any change in a representation or statement made or furnished to us by you or on your behalf; (c) a material change occurs in your ownership or organizational structure (acknowledging that any change in ownership will be deemed material when ownership is closely held); (d) you liquidate or dissolve, or enter into any consolidation merger, partnership, or joint venture; (e) you sell any assets except in the ordinary course of your business as now conducted, or sell, lease, assign or transfer any substantial part of your business or fixed assets or any property or other assets necessary for the continuance of your business as now conducted including, without limitation, the selling of any property or other assets accompanied by the leasing back of the same; (f) you cease doing business, become insolvent, a receiver is appointed for all or any part of your property, you make an assignment for the benefit of creditors, or any proceeding is commenced either by you or against you under any bankruptcy or insolvency laws or any other law or laws relating to debtors; (g) any guaranty of your indebtedness to us, whether related or unrelated to the Account or the Services, ceases to be in full force and effect or is declared to be null and void; or the validity or enforceability thereof is contested in a judicial proceeding; or any guarantor denies that it has any further liability under

such guaranty; or any guarantor defaults in any provision of any guaranty, or any financial information provided by any guarantor is false or misleading); (h) you or any guarantor dies; if you are a sole proprietorship, the owner dies; if you are a partnership, any general or managing partner dies; if you are a corporation, any principal officer or ten percent (10.00%) or greater shareholder dies; if you are a limited liability company, any managing member dies; if you are any other form of business entity any person(s) directly or indirectly controlling ten percent (10.00%) or more of the ownership interests of such entity dies; (i) any creditor tries to take any of your property on or in which we have a lien or security interest, including a garnishment of any of your accounts with us; (j) a judgment or judgments is entered against you or any guarantor(s) in the aggregate amount of \$250 or more that is not satisfied within thirty (30) days or stayed pending appeal; (k) an involuntary lien or liens is attached to any of your assets or property and not satisfied within thirty (30) days or stayed pending appeal; (l) an adverse change occurs in your financial condition or applicable credit histories; and (m) you are in default under any agreement for borrowed money or any other material contract. You agree to provide us any financial records we reasonably request to determine your financial status during the term of this Disclosure and Agreement.