

Business Digital Banking Disclosure & Agreement

This *Business Digital Banking Disclosure & Agreement* ("Agreement") states the terms and conditions that apply when a business enrolls in the Mobile or Online Banking Service ("Digital Banking") offered by Salal Credit Union ("Credit Union", "us", "we"). These terms and conditions are in addition to those that apply to any accounts or other services the business has with the Credit Union. This Agreement governs the use of all standard services and features within Digital Banking. Additional terms apply if a business has opted into any additional service(s). This Agreement describes the business's rights and obligations as well as the rights and obligations of the Credit Union.

The Credit Union agrees to provide service to the business ("Business", "you", "your") whose name appears on the *Business Digital Banking Enrollment* form, inclusive of any addendums. By signing and returning the *Business Digital Banking Enrollment* form, the Business agrees to these terms and conditions that are applicable to all services, including any optional service(s) elected by the Business.

The Business should keep a copy of this Agreement for their records.

The following definitions apply to this Agreement:

- **Digital Banking** – Salal Credit Union's Mobile or Online Banking Service.
- **Service(s)** – Standard and elective Digital Banking and cash management services available to Businesses.
- **Account(s)** – The Business accounts that may be accessed through Digital Banking.
- **Business Day** – Every day except Saturday, Sunday, and federal holidays.
- **Username** – Part of the login information necessary to access Digital Banking.
- **Password** – Part of the login information necessary to access Digital Banking.
- **Funding Account** – The Account from which bills will be paid when utilizing Bill Payment Service(s).
- **Agreement** – the Agreement, *Business Membership & Account Agreement*, Service agreements, any additional documents such as user guides, how-to guides, fee disclosures, or procedures.
- **Primary Administrator** – The administrator designated by the Business on the *Business Digital Banking Enrollment* form.
- **Authorized User(s)** – The employees and agents of the business permitted to use Digital Banking, including the Primary Administrator.
- **Transaction** – Any transaction or instructions initiated through Digital Banking.
- **Transfer Instructions** – Instructions given through Digital Banking to transfer funds between Accounts.

Use of Digital Banking is subject to the Agreement. The Agreement constitutes the entire agreement between the Business and the Credit Union with respect to the subject matter hereof, and supersedes any prior agreements, written or oral, and shall be binding upon the Credit Union, the Business, and their respective successors and permissible assigns. **Only Authorized Users designated by the Primary Administrator shall be permitted to use Services on behalf of the Business.** The Business shall ensure that all Authorized Users adhere to the Agreement. The Business will be held responsible for the actions of its Authorized Users. In the event of any inconsistency between the Agreement and the *Business Membership & Account Agreement* or Digital Banking Documentation, this Agreement will govern.

How To Contact Us

If your account is serviced by our Small Business Team:

- Call us: **800.562.5515**
- Email us: **SmallBusiness@SalalCU.org**
- Write to us: **Salal Credit Union, Attn: Small Business, PO Box 75029, Seattle, WA 98175-0029**

If your account is serviced by our Business Services Team:

- Call us: **206.298.9398** or **800.562.5515 ext. 8913**
- Email us: **BusinessServices@SalalCU.org**
- Write to us: **Salal Credit Union, Attn: Business Services, PO Box 75029, Seattle, WA 98175-0029**

Proprietary Property And Third-Party Beneficiaries

The Credit Union grants to the Business a non-exclusive, non-transferable, revocable license to use Digital Banking, and to use those components of Digital Banking selected by the Business, subject to and in accordance with this Agreement. The Business acknowledges that all aspects of Digital Banking, including programs, systems, and applications used in providing the Services and all information relating thereto, constitute proprietary property of the Credit Union, have great commercial value to the Credit Union, and that the Business shall not acquire any proprietary interest or rights therein as a result of its use of Digital Banking. The Business agrees to keep all such proprietary information strictly confidential.

Except as otherwise agreed to in writing, the Business will not acquire any rights or ownership in any software provided by or through the Credit Union by virtue of their use thereof or access thereto. The Business agrees that they will not transfer, copy, alter, modify, reverse engineer, reproduce, or convey in any manner, in whole or in part, any such software. The Business agrees to, upon the Credit Union's request, return all software and other material associated with any Service. The Credit Union makes no representations or warranties with respect to any equipment, software, or other material provided by the Credit Union.

The Agreement is for the sole and exclusive benefit of the Credit Union and the Business and is not intended to benefit any third party, except the Credit Union's licensors. The Business and the Credit Union acknowledge and agree that any party that licenses any Service, software, or intellectual property related to the Credit Union, directly or indirectly, is a third-party beneficiary to the Agreement with respect to those provisions dealing with use, ownership, and protection of intellectual property.

Membership, Account Ownership, And Authority To Combine Funds

The Services will be available to the Business only if the Business maintains an Account in accordance with the *Business Membership & Account Agreement*. Any change in the designation of Account(s) will only be effective if such change is communicated through written communication to the Credit Union and any such change will only be effective after accepted by the Credit Union and after the Credit Union has had a reasonable opportunity to act on such a request.

Though Services are generally transacted through Digital Banking, the Credit Union may act on the verbal, written, or electronic instructions of any authorized signer on the account(s).

In general, the Business warrants to the Credit Union that all Accounts listed are for business and commercial purposes and not for personal use. However, the Business may authorize the access of Accounts that may have different names or tax ID numbers to be accessed using the same profile as the Business named on the *Business Digital Banking Enrollment* form. This may include a personal account if agreed upon by the Credit Union. The Business acknowledges that the ability to view and transact on accounts via Digital Banking allows Authorized Users the ability to transact between these accounts (regardless of ownership) and that the Credit Union incurs no responsibility for any losses that result in the transfer of funds between separate entities (whether intentional or unintentional).

The Business hereby represents and warrants to the Credit Union that any and all transfers between Accounts and commingling of funds have been duly authorized by all necessary parties and that each transfer or commingling of funds is not in violation of any bylaws, resolutions, or agreements of the Business, its affiliates or subsidiaries, nor in violation of any applicable federal, state, or local statute, ordinance, regulation or rule of law, or of any decree, judgment or order of any judicial or administrative authority. Each representation and warranty contained herein shall be continuing and shall be deemed to be repeated upon the Credit Union's effecting each transfer and commingling of funds authorized hereunder.

Fees, Payments, And Overdrafts

The Business will pay the Credit Union for each Service provided pursuant to the applicable *Business Product & Fee Disclosure*, as revised from time to time, except as the Credit Union and the Business otherwise agree to in writing. At the Business's request, the Credit Union will provide the Business a copy of the current applicable *Business Product & Fee Disclosure* that applies to the Business's Account(s). All fees are subject to change. The Credit Union may charge the business directly for third-party expenses incurred on the Business's behalf. Any change implemented to offset an increase in fees charged to the Credit Union by any private or common communication facility, any time-sharing supplier, or any mail or courier services used for delivering any Service may be effective at the time of change. Charges for the Services do not include, and the Business shall be solely responsible for payment of, any sales, use, excise, value added, utility, or other similar taxes relating to any Service(s). The Credit Union may, at its option, include fees for the Services in an analysis statement of the Business's account relationship, bill the Business for such fees, or debit the Business's account(s) for payment of charges due. The Business authorizes the Credit Union to debit their Account(s) at the Credit Union for the full amount due for the provision of the Services.

If use of any Service(s) overdraws an Account, the Business agrees to make immediate payment of the amount of any such overdraft, together with related service charges. The Business also agrees that the Credit Union may charge overdraft and related service charges against other Accounts to the extent permitted by law or by the *Business Membership & Account Agreement*. In any event, the Credit Union is not obligated to honor any transfer request against insufficient funds.

Cut-Off Times

Transactions, deposits, instructions, and entries received by the Credit Union after established cut-off deadlines, as stated in each applicable service agreement or addendum, may be treated as received on the next Business Day. The Credit Union may change any cut-off deadline at any time upon notice to the Business. Notice may include but is not limited to, Digital Banking secure messaging, posting on the Credit Union website, and email communications.

Notices

Under this Agreement, any written notice or other written communication to the Credit Union will be provided by contacting us via the options listed under "How To Contact Us" above. If to the Business, communications will be sent to the Business mailing address or email address that is on file with the Credit Union at the time of notice.

The Business agrees that the Credit Union will not be responsible or liable for information intercepted by an unauthorized person, either in transit to or before accepted by Business. Additional notices to the Business may be made available to the Business via an announcement on the Credit Union's website or via the Credit Union's Digital Banking Service. Notices are effective upon sent date, or date identified in the notice, except as otherwise provided in the Digital Banking Documentation.

Communications

Digital Banking includes secure messaging capabilities that may allow you to send and receive secure messages to and from the Credit Union. Standard email messages may NOT be secure, may be intercepted by third parties, and should never be used to send or receive emails containing confidential Account information. **The Credit Union will never request confidential information such as Passwords used to access Mobile or Online Banking Services.** If any Authorized User(s) receive such an email, call, text, or other communication purportedly from us, DO NOT respond and notify the Credit Union by contacting us at the phone number listed under "How To Contact Us" above.

If the Business chooses to use unencrypted or unsecured electronic mail, facsimile transmission, voice mail, text message, or other methods to initiate payment requests or otherwise communicate with the Credit Union, the Business acknowledges that such communications are inherently unsecure methods due to the possibility of error, delay and observation, or receipt by unauthorized personnel. By using a particular method to communicate with the Credit Union, the Business authorizes the Credit Union to return communications using the same method and the Business agrees to bear the risk for, and hold the Credit Union harmless from, any damages that result from any communications. The Business should use the most secure method to communicate with the Credit Union at all times.

The Business agrees that the Credit Union may, in its sole discretion and without independent verification, rely on any communication that the Credit Union, in good faith, believes to be initiated by the Business's Authorized User(s).

The Business agrees that the Credit Union may electronically record and/or monitor any telephone communications between the Credit Union and the Business as permitted by law. If the Credit Union's records about any communication differ from the Business's, the Credit Union's records will govern.

Internal Transfers From One Deposit Account To Another Account

Digital Banking permits the transfer of funds between the Accounts you can access through Digital Banking. Transfers occur in real time. Transfers may be made from checking, money market, or savings accounts to checking, money market, savings, or loan accounts.

Any combination of transfers and withdrawals from savings or money market accounts (including those made by check, draft, debit card, electronic medium, or similar order) may be limited to no more than six (6) per calendar month or statement cycle.

External Transfers

The Credit Union may offer the ability for the Business to transfer funds from its Accounts at the Credit Union to or from its Accounts at other financial institutions. The Credit Union reserves the right to discontinue this service at any time. The External Transfer Service is also subject to applicable rules and regulations, including but not limited to, the National Automated Clearing House Association ("NACHA") Operating Rules. The Business shall retain and provide to the Credit Union, upon request, all information necessary to remake or reconstruct any deposit, transmission, file or Entry until ten (10) Business Days following receipt by the Credit Union of the deposit, file, entry, transmission, or other order affecting an Account.

A Receiving Depository Financial Institution ("RDFI") is the institution that receives ACH entries from the ACH Operator and posts them to the Accounts of its depositors ("Receivers"). The Business agrees to be bound by the provision of the NACHA Operating Rules making payment of a credit Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such credit Entry. The Business understands that if final settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and the Business will not be deemed to have paid the Receiver the amount of the credit Entry. The Business agrees that any payment by the Credit Union to the Business for any returned credit Entry or credit reversal is provisional until receipt by the Credit Union of final settlement for such Entry. If final settlement is not received, the Credit Union is entitled to a refund from the Business of the amount credited and the Credit Union may charge the Business's Account for the amount credited. The Credit Union may refuse to permit the use of any amount credited for a credit reversal if it believes that there may not be sufficient funds in the Business's Account to cover a return of such reversal.

The Credit Union may, in its sole discretion, refuse to accept or otherwise execute any request for transfer, whether for cause or without cause, and shall have no liability for such refusal.

Refer to the *ACH External Transfer Disclosure & Agreement* for full terms and conditions related to external transfers.

Stop Payment Services

The Business may order stop payments on any of its checks which have not yet been paid by the Credit Union. Refer to the *Business Membership & Account Agreement* for full terms and conditions related to stop payment requests.

Electronic Delivery Of Statements, Disclosures, And Notices

The Credit Union provides certain disclosures and notices to you in electronic form, in lieu of paper form, including electronic delivery of periodic statements (eStatements) you are provided in connection with your Credit Union Account(s). You accept and agree to be bound by the general terms and conditions governing eStatements and electronic delivery of disclosures and notices, including and without limitation, all the terms and conditions in this Agreement and your *Business Membership & Account Agreement*. You agree to be bound by any and all laws, rules, regulations and official issuances applicable to eStatements and electronic delivery of disclosures and notices now existing or which may hereafter be enacted, issued, or enforced, as well as such other terms and conditions governing the use of other facilities, benefits, or services that the Credit Union may make available to you in the future. Please refer to the current *Business Product & Fee Disclosure* governing your account(s) for any associated fees that may apply. You agree that any notice, disclosure, record, or other type of information (each referred to hereafter as a "Notice"), that is provided in connection with your products and services, may be sent to you electronically, as allowed by applicable law. Notices may include but are not limited to the following:

- Updates or amendments to disclosures pertaining to the products and services you have with the Credit Union,
- Account statements,
- Notice of change in account terms,
- Notice of change in fees,
- Account disclosures,
- Tax statements,
- Account alerts,
- Privacy and security notices,
- Electronic communication that comes to the email address provided by you, through Digital Banking, DocuSign, or other third-party system we have contracted to conduct business or transactions electronically.

A Notice may be provided as a separate electronic document or may be included in an electronic account statement. We will not be obligated to provide any Notice to you in paper form unless you specifically request us to do so, as allowed by applicable law. A Notice sent to any Account owner shall be deemed sent to, and received by, all Account owners on the day we send it. We reserve the right to send a Notice in paper format by postal mail.

Email Reminders

We will send you an email alert to the email address you provide when your statement becomes available for viewing in Mobile and Online Banking. You can change the email address for the statement alert at any time by accessing "Settings" within the Mobile and Online Banking Service.

Statement Availability

eStatements and Notices are securely available via Mobile and Online Banking for a maximum of 12 months. Cleared check images can also be easily accessed online for 12 months. Both eStatements and check images may be downloaded or printed if desired. If you need help printing or if you need a paper copy, please contact us by one of the following methods:

- Use one of the contact methods listed above under "How To Contact Us".
- Use the secure messaging feature within Mobile or Online Banking.

Canceling and Re-Enrollment

Your account may be automatically enrolled in eStatements and Notices when you enroll in Business Digital Banking. You may elect to cancel your enrollment in eStatements and Notices at any time by accessing the EDOCUMENTS screen within Mobile and Online Banking and selecting "Unsubscribe". If you opt out of eStatements and Notices we will deliver paper statements and paper Notices by U.S. Mail. Please refer to the current *Business Product & Fee Disclosure* governing your Account(s) for any associated fees that may apply.

You may re-enroll for eStatements and Notices at any time by accessing the EDOCUMENTS screen within Mobile and Online Banking.

Duty to Review Periodic Statements

You must promptly access/review your statement and any accompanying items and notify us in writing immediately of any error, unauthorized transaction, or any other irregularity as described in the *Business Membership & Account Agreement*. If you allow someone else to access your statement, you are still fully responsible to review the statement for any errors, unauthorized transactions, or any other irregularities. Any applicable time periods within which you must notify us of any errors on your account statement(s) shall begin on the eStatement e-mail notification date, regardless of when you access and/or review your eStatement. If you do not immediately report to the Credit Union any non-receipt of eStatements or any errors, irregularities, discrepancies, claims, or unauthorized debits or items, you shall be deemed conclusively to have accepted all matters contained in the eStatements to be true, accurate, and correct in all respects.

Email Address Changes

To provide eStatements and Notices, we must maintain a current email address at all times. It is your sole responsibility to provide us with your correct contact information, including your email address. You should notify us of any changes to your contact information or you can update your contact information through "Settings" from within Mobile or Online Banking.

Requirements

You do not need special hardware or software to access eStatements. If you can access the Mobile or Online Banking Service, you should be able to access eStatements and Notices. However, you should verify that you have the following:

- An account in good standing
- Desktop, Laptop, or Mobile Device
- Internet Access
- Operating System:
 - Windows – versions that are still supported by Microsoft and support a browser listed below.
 - OSX – versions that are still supported by Windows.
 - OSX, Android, or iOS – current and the prior two major versions.
 - Mobile:
 - Apple iOS – two most recent versions
 - Android – two most recent versions
- Supported Browsers:
 - Edge – two most recent versions
 - Firefox – two most recent versions
 - Chrome – two most recent versions
 - Safari – two most recent versions
- Screen Resolution: 1024 x 768 minimum
- Security:
 - Allow per session cookies
 - Users accessing the Internet behind a Proxy Server must enable HTTP 1.2. settings via proxy connection.
- PDF Reader: Acrobat Reader or similar software might be required to view PDF files.
- A browser that supports 128-bit encryption and JavaScript.
- You will need access to a printer and/or other storage medium such as a hard drive for printing Notices, eStatements, or downloading information.
- You will also need an external email address for the delivery of electronic Notices.

We may revise hardware and software requirements, and if there is a material chance that the changes may impact your ability to access Notices, we will give you advance notice of these changes and provide you an opportunity to change your method of receiving electronic disclosures (e.g. change to paper format vs. an electronic format).

Bill Payment

Use of the Bill Pay Service is subject to applicable rules and regulations, including but not limited to, the National Automated Clearing House Association ("NACHA") Operating Rules.

Refer to the *Consumer & Business Bill Pay Disclosure & Agreement* for full terms and conditions related to bill pay services.

Mobile Check Deposit

The Business may elect to utilize a feature in Mobile Banking that allows an original paper check to be converted into an electronic check for the purpose of deposit to the applicable Account.

Hardware and software requirements, as well as deposit requirements, apply and may be revised periodically. If there is a material chance that the changes may impact ability to access the Service, advance notice of these changes will be given with an opportunity to change the delivery method or cancel the Service.

Refer to the *Mobile Check Deposit Disclosure & Agreement* for full terms and conditions related to depositing checks using Mobile Banking.

Exposure Limits And Financial Review

The Credit Union may assign exposure limits to some Services and these exposure limits shall be subject to change at the Credit Union's sole discretion. At the Credit Union's discretion, exposure limits may be adjusted on a temporary or permanent basis subject to the Credit Union's Standard Security procedures for verifying such requests to adjust exposure limits. The Standard Security procedures may include verification of exposure limit adjustment requests by telephone.

The Credit Union's willingness to provide Services to the Business is dependent on the Business's financial condition. The Credit Union may periodically, at its sole discretion, review the Business's financial condition and the Business shall, upon request, provide the Credit Union any information it may reasonably require for such review. Failure to meet such standards or to provide such information or assistance when requested shall constitute a breach of this Agreement and shall permit the Credit Union to reduce exposure limits or remove access to any and all Services without prior notification to the Business.

Accessing Services Via The Internet

The Credit Union makes certain Services available via the internet. To the extent applicable, the Business's use of Services via an internet connection is subject to this Agreement and the Digital Banking Documentation.

The Business agrees not to access or use the Services via the internet in any way that would:

- Violate any law, statute, ordinance, or regulation (including, without limitation, those governing export control, unfair competition, anti-discrimination, defamation, or false advertising).
- Infringe any third-party copyright, patent, trademark, service mark, trade secret, or other proprietary rights, or rights of publicity or privacy.
- Be fraudulent or involve the use of counterfeit or stolen items.
- Violate any contractual provision by which the Business is bound.
- Be false, misleading, or inaccurate.
- Create liability for the Credit Union or any service provider(s) or cause the Credit Union to lose (in whole or in part) the services of any service provider.
- Be defamatory, trade libelous, unlawfully threatening, or unlawfully harassing.
- Interfere with or disrupt computer network(s) used by the Business or the Credit Union.
- Interfere with or disrupt the use by any other Business's use of the Services via the internet.

Where passwords or other access information may be required, the Business is solely responsible for the security of such access information and will hold the Credit Union harmless from any unauthorized access or use of any Service, or losses arising from such unauthorized access or use of any Service.

The Credit Union may suspend the Business's access to, and their use of, any Service via the internet when: such action may be required to prevent interference with, or disruption to, services to other Businesses, or to protect the integrity of the Credit Union's systems, or as may be required by law or regulation, or in the event of violation of the Digital Banking Documentation.

You acknowledge and agree that there is certain security, corruption, transmission error, and access availability risks associated with relying upon and utilizing Digital Banking, and you hereby expressly assume all such risks. You acknowledge that you have made your own independent assessment of the adequacy of the internet and Digital Banking for accessing information and initiating Transactions, without reliance on any representations or warranties from the Credit Union, and that you have determined to proceed with the use of the Credit Union's Digital Banking based upon your assessment.

Additional security information for internet-based Services can be found in Appendix A.

The Credit Union will use its best efforts to comply with the Business's instructions with respect to any Transaction initiated through Digital Banking. However, the Credit Union will incur no liability (and no obligation as to late charges) if it is unable to complete any transaction because of internet or communication line interruptions or failures.

Changes Or Interruptions In Services

The Credit Union may need to perform maintenance, modifications, or updates on its equipment or systems, which may result in interrupted access to the Service or interruptions to or errors in the Service. The Credit Union may also need to change the scope of the Services from time to time. The Credit Union will attempt to provide the Business with prior notice of such interruptions and changes but does not guarantee that such notice will be provided. The Credit Union shall have no liability to the Business for any damage or other loss, direct or consequential, incurred, directly or indirectly, including without limitation any loss of use of business, revenue, profits, opportunity or good will, even if the Credit Union is aware of the possibility of such damages, which the Business may incur by reason of any such interruptions or errors.

Computer Equipment And Software

Services may require the use of computer hardware and/or software. The Business is solely responsible for maintaining its computer equipment in good working order, with the necessary compatibility and format to interface with the Credit Union's systems, including, without limitation, the ability to support the Credit Union's security measures. The Business agrees to install upgrades and other system enhancements within a reasonable time of being requested to do so by the Credit Union. The Business agrees to comply with all applicable software license agreements, whether or not such agreements have been executed by the Business.

Some Services are provided through access to a third-party network or by third-party providers. Such Services are dependent upon the availability of the third-party network and/or providers on conditions acceptable to the Credit Union. The Credit Union does not warrant and shall not be responsible for Services received by the Business from any third-party network or provider. The Credit Union reserves the right to discontinue any Service or provide any Service through an alternative third-party network and/or provider and the Business agrees that the Credit Union shall not be liable should such network or party become unavailable.

You are solely responsible for the purchase, hook-up, installation, loading, operation, and maintenance of all hardware, software, and internet access to your personal computer or any other device through which you access Digital Banking, including mobile devices. You agree to use, maintain, and run anti-virus, firewall, browser, anti-spyware, and security software on your device that is updated regularly. You also agree to routinely install all new hardware and software patches, or use the automatic update feature when available on your computer and all of your software, including your operating system and application software. The Credit Union makes no representations or warranties regarding your computer or other access device, software, or the means with which you access Digital Banking. The Credit Union is not responsible for any computer virus, Trojan horse, or related problems that may arise in connection with your use of the internet, compromising your Digital Banking Username, Password, or use of Digital Banking.

Security

Security Procedures

Where required for any Service, you agree to utilize any security procedures as set forth by the Credit Union to be used in connection with any communication between you and the Credit Union ("Security Procedures"). Security Procedures may include Digital Banking Username, Password, telephone verification, and other security precautions implemented or required by the Credit Union. Notwithstanding any such Security Procedures, you are strictly responsible for establishing and maintaining your own procedures to safeguard against unauthorized transmissions or Transactions, and to maintain confidentiality of the Security Procedures, including your Digital Banking Username, Password, and any related instructions provided by the Credit Union in connection with the Digital Banking Service.

Authorization and Processing Transaction Requests

You are responsible for controlling access to the Services and for any limitations placed, by you, on the Services an authorized person may utilize. The fact that we are, or may be made aware of, or could have discovered, any limitation on access to a Service does not make us obligated to enforce or attempt to enforce any limitation. You further understand that each Authorized User may utilize Services (including inquiries, transfers, and account verification) without regard to any restrictions otherwise applicable to an Account. You agree that any arrangements with us to require one or more authorized signatures for Transactions involving your Accounts do not apply to transaction using the Services. If a Transaction request or instructions related thereto received by us purports to have been transmitted or authorized by you in compliance with the Security Procedures, it will be deemed effective as your request and you will be obligated to us for such Transaction, even if the Transaction was not actually authorized by you.

Digital Banking Access Credentials

The Business agrees to use the Services solely for the purpose intended and in accordance with Credit Union procedures and agreements (as amended from time to time) which may be applicable to use of the Services and the related Accounts. All Digital Banking Transactions or inquiries must be initiated by use of a Username and Password. All users will be required to change their Password the first time they access Digital Banking and the Password may be changed at any time through the Service. It is recommended that Passwords are changed at least every 180 days.

The Credit Union reserves the right to change any or all of the Security Procedures at any time by giving oral or written notice to the Business. The Business will require Authorized Users to create new Passwords at reasonably frequent periods, based on the Business's assessment of the security requirements appropriate for the Services utilized by the Business. The Business agrees to promptly change Passwords and levels of authority in the event of any change in personnel or when reasonably prudent to do so.

Protection of Credentials

You are strictly responsible to establish and maintain the procedures to safeguard against unauthorized Transactions. You will protect the confidentiality and security of your Digital Banking Username and Password, and not make your Digital Banking Username and Password available to any unauthorized person. When you or any authorized user signs on to Digital Banking using your Password, you authorize us to follow the instructions we receive relating to your Accounts and to charge and credit your Accounts accordingly. The Business agrees that the Credit Union will not be responsible for verifying whether a payment order or other communication is originated by an authorized person other than through the verification process contained in the Security Procedures of the Services.

You agree, to the extent allowed by applicable law, that you will be liable for all Transactions conducted using your Digital Banking Username and Password, regardless of whether or not such Transactions were authorized in-fact. We may suspend or cancel your Digital Banking Username even without receiving such notice from you, if we suspect your Digital Banking Username is being used in an unauthorized or fraudulent manner.

Notification of Compromise or Unauthorized Activity; Cooperation

If you believe your Digital Banking Username or Password has been lost, stolen, or compromised, or if there has been any unauthorized or fraudulent Transactions on your Account, you SHALL IMMEDIATELY NOTIFY THE CREDIT UNION BY TELEPHONE AND AGREE TO CONFIRM THAT ORAL NOTIFICATION, IN WRITING, TO THE CREDIT UNION WITHIN 24 HOURS. Calling us at **800.562.5515** is the best way to mitigate loss. You could lose all the money in your Account(s) (plus your maximum overdraft line of credit, if any).

THE CREDIT UNION WILL HAVE NO LIABILITY TO YOU FOR ANY UNAUTHORIZED PAYMENT OR TRANSFER MADE USING YOUR MOBILE AND ONLINE BANKING USERNAME OR PASSWORD THAT OCCURS BEFORE YOU HAVE NOTIFIED US OF POSSIBLE UNAUTHORIZED USE AND WE HAVE HAD REASONABLE OPPORTUNITY TO ACT ON THAT NOTICE.

With respect to any Digital Banking Transaction which you contend is unauthorized, you agree to:

- Cooperate fully with us in our investigation of the unauthorized transaction.
- Assign to us your right of recovery against the wrongdoer if we reconstitute your Account.
- Assist us and cooperate fully with us in the recovery of any loss we sustain and in the prosecution of any wrongdoers.

You further agree to take whatever steps are deemed necessary by the Credit Union to mitigate any compromise, including selection of a new Digital Banking Username or Password.

Use by Employees/Agents (Authorized Users)

If you, as an authorized user of the Digital Banking system, give your Digital Banking Username or Password to anyone, you hereby authorize that person to access your Accounts through Digital Banking and give us instructions relating to your Accounts as an Authorized User. You also authorize us to comply with such instructions. When a user is added as an Authorized User on the system, you agree that the Credit Union may treat that person as "authorized" if the Security Procedures are followed, without verifying that employee with the Business or otherwise investigating whether the employee is exercising actual authority granted by the Business or whether such activity is consistent with any internal limitations on activity established by the Business for that employee.

The person(s) whom you name "Administrator(s)" may request Account access authorizations as well as grant financial authority to additional users. Additional users will log into the system using the Digital Banking Username and Password that is established by your Administrator that will allow such users to gain access to the Accounts authorized by the Administrator.

The Business assumes all risks associated with disclosure of any Digital Banking Username or Password to its employees or agents. The Business agrees to limit disclosures of Digital Banking Usernames and Passwords to those employees it will authorize to use the Services or who have a specific need to know, warrants that no individual will be allowed to initiate transactions in the absence of proper supervision and safeguards, and agrees to take reasonable steps to establish procedures to protect and maintain the confidentiality of the Security Procedures and Digital Banking Usernames, Passwords, and any related instructions provided by the Credit Union in connection with the Security Procedures described herein. The Business agrees to instruct each person given a Digital Banking Username that they are not to disclose such information to any unauthorized person, and they must immediately notify the Credit Union in the event of any such unauthorized disclosure.

Acknowledgement of Commercially Reasonable Security Procedures

By using Digital Banking Services, the Business acknowledges and agrees that the Digital Banking Documentation sets forth Security Procedures for Digital Banking transactions which are commercially reasonable.

Access to Service

All Digital Banking Transactions or inquiries must be initiated by the use of a Digital Banking Username and Password. User sessions are automatically ended after 15 minutes of inactivity.

Transaction limits may be assigned by the Credit Union and amended from time to time at the Credit Union's discretion.

Passwords

- Authorized Users will be required to change their Password the first time they access the Digital Banking Service.
- Passwords are encrypted in databases and neither the Credit Union nor its Service Providers have access to this information.
- Users may change their Password at any time through the Service.
- Access to the Service will automatically be disabled after three (3) consecutive unsuccessful login attempts.
- Authorized Users with Administrator access can re-set another Authorized User's Password.
- All Authorized Users are strongly encouraged to change their Password at least every 180 days.
- Multiple users should not share a profile; each user should have their own Username and Password.

Administrator Role

The Business is required to designate a Primary Administrator on their *Business Digital Banking Enrollment* form. Primary Administrators receive automatic access to all new Accounts and Services as they are added. They must add the Accounts and Services to other Authorized Users within the company via the Administration function of the Service.

Primary Administrators can designate some or all Authorized Users as Administrators. Users with Administrator privileges have the highest level of access to the Accounts and Services including, but not limited to, the ability to perform loan advances, transfers, and transmit Wires and ACH Entries if those privileges apply. They have the authority to set limits, Account access, and security levels for any other Authorized User, including their own limits or those of other Administrators.

Dual Control

Authorized Users can be granted the ability to create transfers, wire transfers, and ACH Entries and/or transmit them to the Credit Union. **THE BUSINESS IS STRONGLY ENCOURAGED TO ESTABLISH INTERNAL CONTROLS TO REQUIRE DUAL CONTROL WHEN SUBMITTING TRANSFERS, WIRE TRANSFERS, AND ACH ENTRIES VIA DIGITAL BANKING.** Opting for sole control decreases the amount of security provided for Digital Banking Transactions. If the Business does not opt to establish Dual Control, the Business agrees to hold the Credit Union harmless in the event of error or fraud resulting from this decision.

Limitation Of Credit Union Liability

The Credit Union will have no liability for failure to complete a Transaction in the following, non-exclusive, circumstances:

- If, through no fault of the Credit Union, the Business does not have sufficient funds in a designated Account to complete a Transaction.
- If a Transaction would result in the Business exceeding the credit limit on an overdraft line (as applicable).
- If the equipment, phone lines, or computer systems were not working properly.
- If circumstances beyond the Credit Union's control, such as fire, flood, or electronic failure prevented the Transaction.
- If a court order or legal process prevents completion of a Transaction.
- If the Business has defaulted under any agreement with the Credit Union or Service(s) have been terminated.

Other exceptions under applicable law may apply and as stated in other agreement(s) that govern the Business's Accounts.

Except as expressly set forth in the Agreement, the Credit Union specifically disclaims all representations, warranties, and conditions whether express or implied, arising by statute, operation of law, usage of trade, course of dealing, or otherwise, including, but not limited to, warranties or conditions of merchantability, fitness for a particular purpose, non-infringement, or title with respect to the Services provided for by the Agreement.

The Credit Union further does not represent or warrant that its Services hereunder will always be available, accessible, uninterrupted, timely, secure, accurate, complete, or entirely error-free. The Business understands and agrees that the Credit Union will bear no risk with respect to the Business's sales of the Business's products or Services. The Business may not rely upon any representation or warranty regarding the Services or any other Credit Union Services by any third party in contravention of or inconsistent with the foregoing statements.

In no event shall the Credit Union or any of its affiliates, vendors, officers, directors, employees, or agents be liable, for or any indirect, incidental, consequential, special, exemplary, or punitive damages (however arising), including, without limitation, damages for lost revenue, lost profits, anticipated profits, lost business or injury to reputation, cost of procurement of substitute services, under any theory of liability or cause of action, whether in tort (including negligence), contract, the failure of any limited or exclusive remedy to achieve its essential purpose, or otherwise, even if the Credit Union has been advised of the possibility of such claims or demands.

Except as mandated by applicable law or otherwise provided for in the Agreement, the Credit Union's cumulative liability to the Business for all claims relating to or stemming in any way from any Service(s), or the relationship between the Credit Union and the Business (including any cause of action in contract, negligence, tort, strict liability, for breach of any duty imposed by any statute, rule, or regulation, or otherwise) shall not exceed the total amount of all fees paid by the Business to the Credit Union for that Service during the one month period preceding the origination of the claim giving rise to liability. If for any reason the limitation of liability provided for by the Agreement is determined to be invalid or unenforceable, the Credit Union's cumulative liability to the Business nevertheless shall be limited to the fullest extent that the law would permit the Credit Union and the Business to limit the liability of the Credit Union by the Agreement.

The limitations of liability contained in the Agreement shall apply without regard to whether other provisions of the Agreement have been breached or have proven ineffective, or whether any limited or exclusive remedy in favor of the Business has failed or would fail of any essential purpose.

The Credit Union will not be responsible for the acts or omissions of the Business or the Business's officers, employees, or agents (including, but not limited to, the amount, accuracy, timeliness, or authorization of any instructions or information from the Business) or the acts or omissions of any other person or entity, including, but not limited to, any clearing house association or processor, any Federal Reserve Bank, any other financial institution, or any private or common carrier communication or transmission facility, time-sharing supplier, or any mail or courier service.

If the Business permits any other person to access any Service, the Credit Union will not be responsible or liable for such person's access, use, or misuse of the Services or accounts owned by the Business which the Business did not authorize.

The Credit Union will not be liable for any failure or delay in performing a Service if the performance of that Service by the Credit Union and/or its affiliates, subsidiaries, or service providers is prevented, restricted, delayed, or interfered with due to circumstances beyond the Credit Union's reasonable control.

The Credit Union will not be liable for its failure to act if it reasonably believes that its action would violate any law, rule, regulation, or court order or decree.

The Credit Union and the Business acknowledge and agree that the limitations of liability in the Agreement are bargained for allocation of risk and liability and agree to respect such allocation of risk and liability. Each party acknowledges and agrees that the other party would not offer the Services subject to the Agreement without the limitations of liability set forth in this section.

Damages; All Services Other Than Electronic Funds Transfer Services

To the maximum extent allowed by law, the Credit Union shall only be liable to the Business for actual damages incurred as a direct result of its gross negligence or willful misconduct in performing any Service(s).

Damages; Electronic Funds Transfer Services

For wire requests ("Requests") and ACH entries ("Entries") which are subject to Section 4A of the Uniform Commercial Code, as codified in the State of Washington ("RCW 62A.4A"), the Credit Union shall only be liable for damages required to be paid under UCC 4A or the Fedwire Regulations, as applicable, except as otherwise set forth in the Digital Banking Documentation.

For all Requests and Entries which are not subject to RCW 62A.4A and for all other obligations relating to electronic funds transfers, the Credit Union's liability shall be limited, to the extent allowed by applicable law, to actual damages resulting from its willful misconduct or failure to exercise reasonable care, which shall not exceed the following, as applicable:

- In case of excessive debit to the Business's account, the amount of the excess plus compensation equivalent to interest.
- In case of payment to an account not specified by the Business, the amount of the payment plus compensation equivalent to interest.
- In case of delay in crediting a debit Entry to the Business's account, the amount of compensation equivalent to interest for the period of the delay.

If the Credit Union is obligated to pay interest compensation, the Credit Union may either pay such compensation directly or credit the Business's account.

If the Business transmits a Request to the Credit Union by way of a funds-transfer system or other third-party communications system not specifically required by the Credit Union, such system is deemed to be the Business's agent for that purpose and the Credit Union shall not be liable to the Business for any discrepancy between the instructions the third party transmits to such system and the instructions then transmitted to the Credit Union.

Business Liability

The Business shall be responsible for compliance with all applicable laws, rules, and regulations, and with the Digital Banking Documentation.

With respect to any Service where the Credit Union receives payment from a third party on the Business's behalf, the amounts received (less related charges, disbursements, and/or expenses) will be paid to the Business, except if the Credit Union is lawfully required to return any such payment received upon the insolvency, bankruptcy, or reorganization of such third party or for any other lawful reason. The Business agrees to immediately repay to the Credit Union the amount paid to the third party.

In the event the Business requests that the Credit Union provide Services to a parent company, subsidiary, affiliate, or other related entity, the Business agrees that they and any such entity shall be jointly and severally liable for obligations under the Agreement.

Protection From Third Parties

To the maximum extent permitted by applicable law, the Business agrees to indemnify the Credit Union against, hold the Credit Union harmless from, and defend the Credit Union against, any and all liabilities, claims, costs, expenses, and damages of any nature (including attorneys' fees and costs) arising out of or relating to a breach by the Business of any of the Agreement, by parties other than the Business and the Credit Union. This obligation will continue after a Service the Business is using is terminated.

If the Credit Union receives an adverse claim against any Business account and it reasonably believes that the Credit Union may be subject to liability if the claim is ignored, the Business agrees that the Credit Union may place a hold on the affected account or move the disputed funds to a holding account. The Credit Union may take such action for so long as is reasonably necessary to resolve the claim or employ legal remedies to allow a court to decide such claim. The Credit Union shall have no liability for dishonored transactions which result from such action and the Business agrees to reimburse the Credit Union for all costs, including attorneys' fees and costs, incurred due to such adverse claim.

Third Parties; Disclosure Of Information

Provision of certain Services is dependent upon the Credit Union's ability to provide access to third-party networks. In the event any third-party network is unavailable or in the event the Credit Union determines, in its discretion, that it is unable to continue providing any third-party network access, the Credit Union may discontinue the related Service or may provide the Service through an alternate third-party network and shall have no liability for the unavailability of access. The Business authorizes the Credit Union to disclose information on the Business's Accounts and services to the Credit Union's affiliates or third parties who provide the Services.

The Business acknowledges that the Services may require that data be input into the program by parties other than the Credit Union. In some cases, the Credit Union may provide such parties with information instructing them how to input data into the program; however, in no event shall the Credit Union be liable for the accuracy, completeness, correctness, or format of data input by parties other than the Credit Union.

Severability

Should any provision of the Agreement contravene any applicable law or regulation of any regulatory agency, or should any provision be held invalid or unenforceable by a court or regulatory body of competent jurisdiction, then each such provision shall be void and all other provisions of the Digital Banking Documentation shall remain in full force and effect to the fullest extent allowed by law.

Assignment

The Business shall not assign or delegate any of their rights or obligations hereunder without the Credit Union's prior written consent which may be withheld in the Credit Union's sole discretion. The Credit Union may assign the Agreement to an affiliate or subsidiary without the Business's prior consent, provided that the Credit Union remains primarily liable for the performance of its obligations under the Agreement. Any attempted assignment or delegation without the required consent will be void.

Changes, Supplements, Or Amendments

The Agreement may be changed, supplemented, or amended from time to time by the Credit Union. The Credit Union will provide notice to the Business at the address on file with us, via email or via an announcement on the Credit Union's website or Digital Banking Service. The Business's failure to object in writing to such changes, supplements, or amendments, or the Business's continued use of any Service, will constitute their acceptance of the changes, supplements, and amendments. The Credit Union may suspend or terminate the Services provided to the Business if the Business rejects any changes, supplements, or amendments to the Agreement.

Tapes And Records

All magnetic tapes, entries, security procedures, and related records used by the Credit Union for transactions contemplated by this Agreement shall be and remain the Credit Union's property. The Credit Union may, at its sole discretion, make available such information upon the Business's request. Any expenses incurred by the Credit Union in making such information available to the Business shall be paid by the Business.

Termination And Suspension Of Services

Notwithstanding anything to the contrary in the Agreement, if at any time the Credit Union believes that its provision of any Service to the Business may create a risk of financial loss for the Credit Union, or result in an unacceptable credit exposure to the Credit Union, or that an account associated with any Service may be subject to irregular, unauthorized, fraudulent, or illegal activity, the Credit Union may, at its discretion, immediately, without prior notice to the Business, suspend or modify the Business's use of any such Service until such time that such risk, exposure, or activity is eliminated or otherwise resolved.

If the Business has not used a Service for a period of nine (9) months, the Credit Union may consider use of that Service to be inactive and may immediately suspend, modify, or terminate access to that Service without prior notice to the Business. If your access is modified or terminated due to inactivity, and you later decide you want to use the Service again, contact us using a method listed under "How To Contact Us" above.

If the Business has not used all Services for a period of thirteen (13) months, the Credit Union may suspend access to all Services. This will remove access from any and all Authorized Users. If after a period of eighteen (18) months, all Services continue to be inactive, the Credit Union will terminate your access. The Credit Union will attempt to notify the Business using the mailing address or email address that is on file at the time of notice. If access is suspended or terminated, and the Business wants to use the Service(s), contact us using a method listed under "How To Contact Us" above.

Without limiting the foregoing, either party may terminate any or all Services upon notice to the other party (written, phone, email). The termination period will include a reasonable amount of time to discontinue the service, which could be up to five (5) Business Days. Notwithstanding the foregoing sentence, the Credit Union may terminate any or all Services effective immediately if any of the following occurs:

- The Business breaches any of the Agreement and conditions in the Agreement or any other agreement with the Credit Union.
- The Business terminates, liquidates, or dissolves their Business or a substantial portion of their assets.
- The Business fails, generally, to pay their debts as they become due.
- The Business, voluntarily or involuntarily, becomes the subject of any bankruptcy, insolvency, reorganization, or other similar proceeding.
- The Business initiates any composition with their creditors.
- The Business experiences a material adverse change in their financial condition or their ability to perform their obligations under the Agreement.
- Any guaranty of the Business's obligation to the Credit Union terminates, is revoked, or has its validity is contested by the guarantor, or any of the events set forth above attributable to the Business occur to the guarantor.
- All accounts associated with any Service are closed.
- The government or other lawful body requires termination of Services.

If a Service the Business is using is terminated for any reason, the Business will do the following:

- Immediately stop using any materials or equipment related to the terminated Service.
- Erase or delete any software or other electronic material related to the terminated Service.
- At the Credit Union's option, either return or destroy any materials, software, or equipment provided by the Credit Union relating to the terminated Service and certify to the Credit Union that they have done so.

Termination of a Service the Business used does not affect the Business's obligations (including payment obligations) for Services which arose or became effective before such obligation, and any such termination is in addition to the Credit Union's other rights under applicable law and under the Agreement, including any elected Service Agreement(s), and the Digital Banking Documentation. Upon termination, all amounts owed by the Business will become immediately due and payable.

The Business agrees to notify the Credit Union immediately if the Business's Agreement with any third-party vendor processor terminates.

Relationship Between Parties

Acceptance of the Agreement will not be construed as creating an agency, partnership, joint venture, or any other form of association, for tax purposes or otherwise, between the parties; and the parties will at all times be and remain independent contractors. Except as expressly agreed by the parties in writing, neither party will have any right or authority, express or implied, to assume or create any obligation of any kind, or to make any representation or warranty, on behalf of the other party or to bind the other party in any respect whatsoever.

Construction And Interpretation

None of the provisions of the Agreement shall be construed more favorably to either party based upon the extent of the parties' respective participation in the drafting of the Agreement. Headings are used for reference purposes only and shall not be deemed a part of the Agreement.

In the event of dispute, no party shall be entitled to claim that any provision hereof should be construed against the other party by reason of the fact that it was drafted by any particular party. The failure of either party to enforce any rights granted under the Agreement or to take action against the other party in the event of any breach shall not be considered a waiver of that right or breach unless the waiver has been reduced in writing and signed by the waiving party. If a party effectively waives a right or breach, that waiver will not constitute a waiver of any other right or breach, or of a subsequent breach of the same obligation. If any provision of the Agreement is held invalid, illegal, or unenforceable in any particular jurisdiction or circumstance, the remaining provisions of the Agreement shall remain valid and enforceable in such jurisdiction or circumstance, and such provision shall remain valid and enforceable in any other jurisdiction or circumstance.

No Implied Waiver

No failure by either party to insist upon strict performance of any term or obligation in the Agreement, or to exercise any right or remedy under the Agreement shall constitute a waiver of any such term, obligation, right, or remedy.

Dispute Resolution

Any dispute or claim arising out of or relating to any Service(s) or this Agreement, including any addendums, will be subject to the Informal Dispute Resolution Process outlined in the *Business Membership & Account Agreement*.

Governing Law, Venue, Compliance With Laws & Right To Audit

The Agreement shall in all respects be governed by, and construed and interpreted in accordance with, the laws of the State of Washington without giving effect to any conflicts of law principles of such state that might refer the governance, construction, or interpretation of the Agreement to the laws of another jurisdiction. Venue for any applicable legal proceeding shall be in the federal district courts of the Western District of the state of Washington for federal matters and for all other matters in the state courts of King County, Washington.

Each party will comply with all applicable federal, state, and local laws and regulations with respect to the Agreement and such party's activities covered by or related to the Agreement. The Business understands and agrees that the Credit Union may audit its compliance with this Agreement and any applicable laws at any time. To assist in the Credit Union's compliance with applicable laws, rules, and regulations, the Business agrees to provide the Credit Union with financial and/or other information as it reasonably requests.

Force Majeure

Except for the obligation to make payments, nonperformance by either party will be excused to the extent performance is prevented or delayed due to causes beyond such party's reasonable control and without its negligent or willful misconduct, including, without limitation, acts of God, natural disasters, terrorist acts, war or other hostilities, labor disputes, civil disturbances, governmental acts, orders or regulations, third-party nonperformance or failures, or fluctuations in electrical power, heat, light, air conditioning, or telecommunications equipment.

Credit Union's Remedies Cumulative

Except as may be explicitly stated to the contrary in the Agreement, none of the rights or remedies of the Credit Union provided for in the Agreement, any elected Service agreement, or the Digital Banking Documentation are intended to be exclusive of any other rights or remedies of the Credit Union, either under this Agreement, any elected Service agreement, the Digital Banking Documentation, or otherwise existing in favor of the Credit Union at law or in equity, but all such rights and remedies instead are intended to be cumulative and in addition to each other.

Appendix A: Security Guidelines

Security guidelines must be fluid given the nature of financial fraud schemes, so the Credit Union in its sole discretion may revise these guidelines at any time. The Business's continued use of the Services offered under these terms is consent by the Business to any new or revised security procedures.

The Business and the Credit Union will comply with security procedure requirements established and/or amended by the Credit Union from time to time. Such security procedures are for the purpose of evaluating the authenticity and protecting the confidentiality of Service requests ("Service Requests"). However, the Credit Union has no obligation to verify, review, edit, correct, amend, cancel, or reverse any such Service Requests, and will incur no liability with respect to the amount, accuracy, timeliness, or authorization of any such Service Request. If signature comparison is to be used as a part of such security procedures, the Credit Union will be deemed to have complied with that part of such security procedure if it compares the signature accompanying a Service Request (or a cancellation or amendment of a Service Request) received with the signature of an Authorized Signer and, on the basis of such comparison, believes the signature accompanying such file to be that of such Authorized Signer.

If a Service Request (or a cancellation or amendment of a Service Request) received by the Credit Union purports to have been transmitted or authorized by the Business, it will be deemed effective as the Business's Service Request even if the Service Request was not authorized by the Business, provided the Credit Union accepted the Service Request in good faith and acted in compliance with the security procedures.

If the Business permits any other person to access any Service, the Credit Union will not be responsible or liable for such person's access, use, or misuse of the Services or Accounts whether authorized or not.

Business Responsibilities

The Business is solely and strictly responsible for:

- Determining, establishing, and maintaining internal procedures necessary to safeguard against unauthorized access to Services.
- Maintaining adequate security and control of any and all passwords, codes, security devices, and related instructions furnished by the Credit Union.
- Maintaining the confidentiality of security procedures.
- Restricting access to all passwords, codes, security devices, and related instructions to such employees and agents as may be reasonably necessary to use Services.
- Ensuring each employee or agent of the Business using Services is aware of and otherwise complies with all applicable provisions of the Agreement.
- Notifying the Credit Union immediately in writing if the Business believes or suspects that any such information or instructions have been known or accessed by unauthorized persons or for unauthorized purposes.
- Securing the data residing on servers or other computer systems of the Business or a third party designated by the Business (e.g. a web-hosting company, cloud-based service, process, or other service provided), including, but not limited to, account numbers, security codes, and passwords.
- Ensuring compliance with all applicable laws and regulations governing the Services.
- Installing and maintaining firewall, anti-virus, and anti-spyware software on computers and networks.
- Establishing an incident response plan and procedures for notifying its customers or vendors of any compromised information due to a breach in security.

General Security Guidelines

The Business and its Authorized Users will be solely responsible for maintaining computer equipment in good working order, with the necessary compatibility and format to interface with the Credit Union's systems, including, without limitation, the ability to support security procedures.

When requested by the Credit Union, the Business will install upgrades and other system enhancements within a reasonable amount of time.

There are a number of ways a criminal can gain access to confidential information. Here are a handful of threats every Business should be aware of. Please note, this list is not exhaustive, new methods of intrusion are developed every day.

- **Phishing/Spoofing** – Creating a fraudulent website or email disguised as a legitimate website or email designed to fool users into revealing confidential information to a hacker (i.e., usernames, passwords, credit card information).
- **Social Engineering** – A criminal tricks or deceives a person into divulging confidential information by posing as a trusted individual (i.e., a Credit Union employee).
- **Virus** – Malicious software that inserts itself into other programs or documents on a user's computer and can be spread from computer to computer as documents and files are shared.
- **Worm** – Malicious software that spreads to computers on a shared network but does not require the sharing of documents or files to propagate.
- **Spyware** – Software that collects information about a user and then diverts that information to another person or company often (but not always) for use by a criminal or hacker. Often "piggybacks" onto a computer with the download of other, seemingly harmless software, sometimes without the knowledge of the user.
- **Trojan Horse** – A spyware program that purports to perform one function but is actually doing another such as undermining the security settings or software on a computer, allowing a hacker to gain access.
- **Keylogger** – Spyware software designed to record every keystroke on an infected computer allowing a criminal access to passwords, credit card numbers, and other confidential information.
- **Password Cracking** – Attempting to discern a password through guessing or recovering stored data.

What follows are some general best practices for using Services to assist in lessening the threat these schemes can pose to the Business. Please consult with technology and security experts for additional support or information.

- **Logging Off** – All users should log off after every session to ensure information isn't inadvertently left exposed to an unauthorized user. Sessions will automatically end after periods of inactivity to protect users who have left their computer unattended after logging in.
- **Public Networks** – The security of public computers (e.g. in a library, coffee shop, or internet café) cannot be assured. It is recommended that users refrain from accessing Services on a public computer or public wireless network.
- **Anti-Virus Software** – Businesses are required to utilize Anti-Virus Software from a reliable software provider and to routinely scan their computer(s), server(s), and electronic media for viruses. It is imperative that Anti-Virus Software be kept updated as recommended by the software provider to protect against new or developing virus threats.
- **Anti-Spyware Software** – Businesses are strongly encouraged to utilize Anti-Spyware Software from a reliable software provider and to routinely scan their computer(s), server(s), and electronic media for spyware. Spyware and viruses are not the same and Anti-Virus software may not be sufficient to protect against spyware.
- **Firewalls** – Software and/or hardware designed to protect computers and their contents by controlling the incoming and outgoing traffic on the network. When properly installed and maintained, it protects a computer against threats from the public Internet.
- **Security Updates and Patches** – From time to time, vulnerabilities are discovered in programs installed and/or running on a computer that may be exploited by criminals to gain unauthorized access to computers. Software publishers will release updates (or "patches") to correct these weaknesses. **THE BUSINESS IS REQUIRED TO KEEP ITS COMPUTERS' OPERATING SYSTEM AND BROWSER FULLY "PATCHED" FOR CRITICAL SECURITY ISSUES.**
- **Electronic Communication** – Unencrypted email, fax, voice mail, text message, or other electronic communication methods are inherently unsecure and should not be used to communicate confidential information, passwords, account numbers, etc. Secure email programs can be utilized to encrypt data contained in these communications.
- **Password Protection** – Maintaining a secure, difficult to guess password is essential to ensuring security. Change passwords regularly and use a combination of alpha-numeric and special characters. Additional password guidelines are provided below.

Following these procedures cannot guarantee security but may significantly lessen exposure.

Passwords and Access Credentials Guidelines

By signing the *Business Digital Banking Enrollment* form, the Business agrees that their Authorized Users will not share or make available their passwords or other means of access to Services or Accounts to any unauthorized individuals.

The Business assumes responsibility for all transactions and entries that are authorized via the Service, even those submitted by unauthorized individuals with whom passwords have been shared.

If the Business has reason to believe that a password belonging to an Authorized User has been compromised, lost or stolen, or that an unauthorized individual has or may attempt to use the Service, the Business must notify the Credit Union immediately by calling **800.562.5515**.

IF AUTHORIZED USERS DISCLOSE THEIR PASSWORDS TO ANYONE AND/OR IF AUTHORIZED USERS ALLOW SOMEONE TO USE THEIR PASSWORD TO ACCESS THE SERVICE(S), AUTHORIZED USERS HAVE AUTHORIZED THEM TO ACT ON THE BUSINESS'S BEHALF AND THE BUSINESS WILL BE RESPONSIBLE FOR ANY USE OF THE SERVICE BY THEM.

Because a Password is used to access account information and submit transactions, Authorized Users should treat it as they would any other sensitive personal data:

- Carefully select a Password that is hard to guess.
- Do not use words based on their name, address, or other personal information.
- Special characters may be used to increase security.
- Do NOT use dictionary words.
- Keep the Password safe.
- Memorize the Password and do NOT write it down.
- Change the Password regularly.
- Change the Password immediately if there is any suspicion that the Password has been compromised.

NEITHER THE CREDIT UNION NOR ITS SERVICE PROVIDERS WILL CONTACT ANY AUTHORIZED USER VIA TELEPHONE OR EMAIL REQUESTING PERSONAL INFORMATION, LOGIN INFORMATION, OR PASSWORDS. IF AN AUTHORIZED USER IS CONTACTED BY ANYONE REQUESTING THIS INFORMATION, PLEASE CONTACT SALAL CREDIT UNION IMMEDIATELY.