

Mobile Deposit User Agreement Premier America Credit Union Effective September 1, 2019

Premier America Credit Union is providing Mobile Deposit ("Service"), a remote deposit capture service. By using this Service you are agreeing to the terms and conditions presented herein.

This Mobile Deposit User Agreement ("Agreement") contains the terms and conditions for the use of Mobile Deposit that Premier America Credit Union ("Premier America" "us" or "we"), its partners or its affiliates may provide to you ("you" or "user"). The word "account" means any deposit accounts you have with Premier America. The information in this Agreement applies only to the Service described herein. Provisions in other disclosures, as may be revised from time to time, remain in effect for all other aspects of your account. Your [Membership Agreements and Disclosures](#) are hereby incorporated into and made a part of this Agreement. In the event of a discrepancy between this Agreement and the Membership Agreements and Disclosures, this Agreement will control.

1. **Description of the Service.** The Mobile Deposit Service is designed to allow you to make deposits into your checking, savings, or Money Market Savings accounts from remote locations by transmitting an electronic image of your paper check(s) to Premier America or to our designated processor using a mobile device. Original checks are converted to "substitute checks," as such term is defined in the Check Clearing for the 21st Century Act and Federal Reserve Board Regulation CC, for deposit with Premier America and for processing and presentment to a collecting or paying financial institution. For purposes of this Agreement, a "substitute check" (as defined in Regulation CC) is a check reproduction of an original check that:
 - a. contains an image of the front and back of the original check;
 - b. bears a MICR 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;
 - c. conforms in paper stock, dimension, and otherwise with ANSI X9.100-140; and
 - d. is suitable for automated processing in the same manner as the original check.
2. **Compliance with Laws.** You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Service, as well as all laws relating to the banking transactions contemplated hereunder. 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 Service 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 shall survive termination of your account with us and this Agreement.
3. **Eligibility.** In order to be eligible for the Service, you must be:
 - a. a member of Premier America with all accounts in good standing;
 - b. a current Mobile App user; and
 - c. in possession of a smartphone with the capability of downloading the applicable application from an App Store.

If you qualify, you will be able to access Check Deposit from the app menu. Other eligibility requirements may be imposed at any time and we reserve the right to change the requirements at any time without prior notice. We reserve the right to change, suspend, or discontinue the Service, or your use of the Service, in whole or in part, at any time without prior notice to you.

4. **Fees.** We currently do not charge fees for use of the Service, but you should check with your mobile device service provider for details on specific message and data rates that may apply. You are responsible for the payment of all telecommunications expenses associated with your use of the Service.
5. **Hardware and Software Requirements.** You are responsible for obtaining and maintaining, at your expense, the hardware and software specified by Premier America from time to time as the minimum versions required to use the Service. Premier America will not be responsible for providing or servicing any equipment for you. Further, we are not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly

with the third party software provider at time of download and installation. Mobile Deposit is supported on compatible devices that meet the minimum requirements listed on our Mobile Deposit FAQs website page.

6. **Security.** The Service through Mobile Banking is covered by our Online Banking Guarantee. Protect your mobile device as you would your personal computer by using proper security methods such as the use of passwords to access and/or lock the device. Always keep your mobile device in a safe place where others may not access the information stored on the device. Safeguard your Username and Password.
7. **Unavailability of Service.** You understand and agree that the Service may at times be temporarily unavailable due to Premier America system maintenance, technical or other difficulties including, but not limited to those of the Internet service provider and Internet software. In the event that the Service is unavailable, you acknowledge that you can deposit original checks in person at our branches, through the Shared Branch network or at our ATMs (including ATMs operated by a Shared Branch or CO-OP), or by mailing the original check to Premier America Credit Union, P.O. Box 2178, Chatsworth, CA 91313-2178, Attn: Member Ops. It is your sole responsibility to verify that checks deposited using the Service have been received and accepted for deposit by us. To verify that your deposit was received you can log into Mobile Banking or Online Banking. We will notify you via email of items that are rejected within one (1) business day following rejection.
8. **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 California. For purposes of this Agreement, "check" (as defined in Regulation CC) means a negotiable demand draft that is drawn on:
 - a. Or payable through or at an office of a bank or credit union;
 - b. A Federal Reserve Bank or a Federal Home Loan Bank;
 - c. The Treasury of the United States;
 - d. A state or local government that is not payable through or at a bank or credit union;
 - e. A United States Postal Service money order; or
 - f. A Traveler's check drawn on or payable through or at a bank or credit union.

For purposes of this Agreement, "item" means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a transaction via ACH or wire transfer.

9. **Ineligible Items for Deposit.** You understand and agree that you will not use the Service to deposit the following items:
 - a. Any third party check, i.e., any item that is made payable to another party and then endorsed to you by such party.
 - b. Any item drawn on an account and deposited back into the same account.
 - c. Any item that contains evidence of alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
 - d. Any check previously converted to a "substitute check" as defined in Regulation CC.
 - e. Any item issued to you by a financial institution located outside the United States.
 - f. Any item that is incomplete, illegible or contains magnetic ink character recognition ("MICR") data that is not machine-readable.
 - g. Any item previously processed as an electronic item.
 - h. Any item that is stale-dated (more than six months prior to the date of deposit), expired or post-dated (after the date of deposit).
 - i. Any item labeled "non-negotiable" (whether stamped in print or as a watermark).
 - j. Any item that has been re-deposited or returned for reasons such as "non-sufficient funds" or "refer to maker" or for any other reason.
 - k. Savings bonds.
 - l. Cash.
 - m. Government-issued warrants.
 - n. Any item made payable to more than one party, where not all parties are owners or signers on the account.
 - o. Any item with a qualified endorsement (example: without recourse, John Doe).
 - p. Any item with a conditional endorsement (example: pay to the order of John Doe, when house is painted).

- q. Checks or any other items prohibited for deposit by current Premier America procedures, rules or otherwise unacceptable under the terms of your Premier America account.

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

10. **Check Requirements.** Any image of a check you transmit to us using the Service must accurately and legibly provide, among other things, the following information:
 - a. Back of check - your endorsement (signature), deposit account number and you must write the words "For Mobile Deposit - 322283990" (to further restrict negotiability).
 - b. Front of check - information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate amounts, MICR information and signatures.
 - c. Other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check.

You agree to follow any and all other procedures and instructions for use of the Service as we may establish from time to time.

The image quality of the check must comply with the requirements established from time to time by the Credit Union, the American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve Board, including the requirements under Federal Regulation CC, or any other regulatory agency, clearing house or association involved in the delivery of the Service.

11. **Receipt of Items.** Upon 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 electronically transmitting a digital image of a check does not constitute receipt by the Credit Union. You understand and agree that receipt of an image does not occur until after we notify you of receipt of the image by a confirmation screen upon the conclusion of your transaction. 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. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your account and, in the event we reject an item for remote deposit, you understand and agree that you must deposit the original item for any credit to be made to your account. You understand and agree that even if we do not initially reject an item you deposit through the Service, 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 Service, is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check. You understand and agree that upon our receipt of the digital image, it may take up to one (1) business day for your deposited item to credit your account.
12. **Availability of Funds.** 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 funds, checks deposited via the Service are considered received by the Credit Union when we notify you of receipt of the image by an email transmitted to the email address you have provided to us. Deposits made after 3 p.m. Pacific Time will be considered as having been made on the following business day. You understand and agree that, for purposes of deposits made using the Service, the place of deposit is Chatsworth, California. Even after we have made the funds available to you and you have withdrawn the funds, you remain responsible if any deposit to your account is returned, rejected, or otherwise uncollected from the financial institution from which the check is to be paid. You also understand that credit is provisional until settlement is final.
13. **Rejection of Deposit.** We are not liable for any fees, 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. Please refer to our current [Schedule of Fees](#).
14. **Deposited Checks Returned Unpaid.** Please refer to your [Membership Agreements and Disclosures](#) for additional information regarding deposited checks returned unpaid.

15. **Email Address.** 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 any remote deposit items that are rejected.
16. **Deposit Limits.** We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Service and to modify such limits from time to time without notice. Contact us at 800-772-4000, option 0, for our current daily limit.
17. **Check Retention and Destruction.** Upon your receipt of a confirmation screen at the conclusion of your transaction that your check has been deposited using the Service and your account has been credited, you agree to prominently mark the check as "Electronically Deposited" or "VOID" to ensure that it is not represented for payment. You agree to securely store each original check for a period of ninety (90) days after transmission to us in order to verify settlement and credit or to balance periodic statements. During the retention period and upon our request, you agree to provide us with the original check 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 the original check, you will be liable for any unresolved claims by third parties. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks. After ninety (90) days, you agree to securely and irretrievably destroy the original check to ensure that it cannot be re-deposited.
18. **Periodic Statement and Your Duty to Report Errors.** Any remote deposits made through the Service will be reflected on your monthly periodic statement. You understand and agree that you are required to immediately notify us of any suspected error relating to images transmitted using the Service by no later than sixty (60) days after the date of the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period. Please refer to the section, "*In Case of Errors or Questions About Your Electronic Services Transactions*", of your [Membership Agreements and Disclosures](#) for additional information regarding your duty to report errors.
19. **Ownership and License.** You agree that we retain all ownership and proprietary rights in the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Service (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 Service.
20. **Termination of the Service.** You or we may terminate the Service at any time. You may send written notice to terminate the Service to us at the address listed above in Section 7. In the event of termination of the Service, you will remain liable for all transactions performed on your account. Upon termination, (i) you will immediately cease using the Service and (ii) you shall promptly remit all unpaid monies due under this Agreement, if any. Premier America may immediately suspend or terminate your access to the Service as described above in Section 3 or in the event that we reasonably determine such suspension or termination is necessary in order to protect the Service or Premier America from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Agreement or are otherwise using the Service in a manner inconsistent with the terms of this Agreement or with applicable law.
21. **Accountholder's Warranties.** You make the following warranties and representations with respect to your use of the Service and each image of an original check you transmit to us using the Service:
 - a. Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
 - b. The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
 - c. Each check that you submit to us for deposit will not be resubmitted in any format to us or to any other person for payment and will not cause the same drawer's account to be debited twice.
 - d. Other than the electronic image of an original check that you remotely deposit through the Service, there are no other duplicate images of the original check.
 - e. 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.

- f. You have not knowingly failed to communicate any material information to us.
 - g. You will retain possession of each original check deposited using the Service for the required ninety (90) day retention period and neither you nor any other party will submit the original check for payment.
 - h. You will not use the Service and/or your accounts for any illegal activity or transactions.
 - i. 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.
 - j. Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories.
22. **Indemnification.** You agree to indemnify, defend and hold harmless Premier America and its directors, officers, employees, members and agents (the "Indemnified Parties") from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees and disbursements), claims, damages, liabilities and causes of action of third parties resulting or arising from: (i) your failure to abide by or perform any obligation imposed upon you under this Agreement; (ii) the willful misconduct, fraud, criminal activity, intentional tort or negligence of you or any of your representatives involving use of the Service; (iii) the actions, omissions or commissions of you, your employees, consultants and/or agents relating to the Service; and (iv) any transmission or instruction, whether or not authorized, acted upon by Premier America 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 Premier America may participate in such defense and settlement with counsel of Premier America's own choosing at Premier America'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).
23. **DISCLAIMER OF WARRANTIES.** YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. YOU UNDERSTAND AND AGREE THAT WE DO NOT MAKE ANY WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICE, EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE ALSO MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED FROM USING THE SERVICE WILL BE ACCURATE OR RELIABLE, OR THAT ANY ERRORS IN THE SERVICE OR TECHNOLOGY WILL BE CORRECTED. WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY YOUR INTERNET PROVIDER, ANY RELATED SOFTWARE, OR PREMIER AMERICA'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE OR MAINTENANCE OF YOUR PERSONAL MOBILE DEVICE, HARDWARE, SOFTWARE OR OTHER EQUIPMENT.
24. **LIMITATION OF LIABILITY.** YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM OR ATTRIBUTABLE TO THE USE OR THE INABILITY TO USE THE SERVICE INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR ATTRIBUTABLE TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICE, OR YOUR BREACH OF THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF PREMIER AMERICA HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.
25. **Acceptance of these Terms.** Your use of the Service constitutes your acceptance of this Agreement. You agree to comply with the hardware and software requirements set forth herein. This Agreement is subject to change from time to time. We will notify you of any material change, if required by law, via e-mail or on our website(s) by providing a link to the revised Agreement. Within Mobile Banking, you will be prompted to accept or reject any material change to this Agreement the next time you use the Service after we have made the change. Your acceptance of the revised terms and conditions along with the continued use of the Service will indicate your acceptance of the revised Agreement. Further, we reserve the right to change, modify, add, or remove portions from the Service. Your continued use of the Service will indicate your acceptance of any such changes to the Service.

26. **Relationship to Other Disclosures.** The information in this Agreement applies only to the Service described herein. Provisions in other disclosure documents, as may be revised from time to time, remain in effect for all other aspects of your account.
27. **Governing Law.** You understand and agree that this 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 California, 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 California.
28. **Confidentiality.** You acknowledge and agree that confidential data relating to the Service, and our marketing strategies, business operations and business systems (collectively, "Confidential Information") may come into your possession in connection with this Agreement. Such Confidential Information is the exclusive and confidential property of Premier America. You understand and agree that you are prohibited from disclosing, and agree to maintain the confidentiality of, our Confidential Information.
29. **Waiver.** The failure of either you or us 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 such terms in the future, or the waiver of the terms of any other covenant, agreement, provision, or condition either now or in the future, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.
30. **Relationship.** This Agreement does not create, and shall not be construed to create, any joint venture or partnership between you and us. No officer, employee, agent, servant, or independent contractor of either of us shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.
31. **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 Service due to causes beyond our reasonable control.
32. **Other Terms.** You may not assign this Agreement. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this 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 Service by a business member. In this section, the words "Member," "you" or "your" refer to the business.

Authority. Member warrants and represents to Premier America that it has full and complete authority to enter into this Agreement. We may accept oral or written instructions (including written instructions sent via facsimile or other electronic transmission) from any person who appears in our records as an authorized representative or authorized person of Member ("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 Service. 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 Premier America 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 we receive 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 Premier America 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 property reflects the business, financial condition and principal partners, owners, or officers of Member.

Change in Structure. Member shall provide written notice to Premier America of any changes to the information provided by Member to the Credit Union, including but not limited to: additional locations, any change in business, any new business, the identity of authorized signers, 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 (5) business days of such request. We retain the right to: (1) review your business activity from time to time to confirm Member is conducting business as stated by Member; and (2) re-price or terminate the Service based on changes to the facts previously stated by Member.

Statement of Business Purpose. Member agrees that Member has represented to Premier America that Member is using the Service for business and/or commercial purposes and that the Service will only be used for business and/or commercial purposes. Member agrees that it will not use the Service 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 the Credit Union 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 Premier America. If we do not elect to extend credit to you, you must provide immediately available funds sufficient to satisfy your obligations under this 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 Service. 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 Service conducted through us under this 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 Agreement.

Check Retention and Destruction. For the retention period described above in Section 17, original checks shall be maintained in a secure fashion under procedures similar to which Member maintains other confidential or proprietary information. During the retention period, Member shall take appropriate security measures to ensure that only authorized personnel who are fully bondable and have passed a thorough screening shall have access to the original checks.

Changes in Financial Circumstances. You understand and agree that you must inform us immediately in the event of a material change in Member's financial circumstances including any supporting financial information. This includes, but is not limited to, notification of the following: (1) material changes in transaction volumes that could threaten the financial condition of the Member; (2) any change in a representation or statement made or furnished to us by you or on your behalf in the Application; (3) a material change occurs in Member's ownership or organizational structure (acknowledging that any change in ownership will be deemed material when ownership is closely held); (4) Member liquidates or dissolves, or enters into any consolidation merger, partnership, or joint venture; (5) Member sells any assets except in the ordinary course of your business as now conducted, or sells, leases, assigns or transfers 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; (6) Member ceases doing business, becomes insolvent, a receiver is appointed for all or any part of Member's property, Member makes an assignment for the benefit of creditors, or any proceeding is commenced either by Member or against Member under any bankruptcy or insolvency laws or any other law or laws relating to debtors; (7) any guaranty of your indebtedness to us, whether related or unrelated to the account or the Service, 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); (8) 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 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 and any person(s) directly or indirectly controlling ten percent (10.00%) or more of the ownership interests of such

entity dies; (8) 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; (9) 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; (10) 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; (11) an adverse change occurs in your financial condition or applicable credit histories; and (12) 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 Agreement.