

## 1. Eligible items.

You agree to scan and deposit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"). You agree that the image of the check transmitted to your credit union shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code. You agree that you will not use Mobile Deposit to scan and deposit any checks or other items as shown below:

- a) Checks or items payable to any person or entity other than you.
- b) Checks or items drawn or otherwise issued by you or any other person on any of your accounts or any account on which you are an authorized signer or joint account holder.
- c) Checks or items containing obvious 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, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- d) Checks or items previously converted to a substitute check, as defined in Reg CC.
- e) Checks or items drawn on a financial institution located outside the United States.
- f) Checks or items that are remotely created checks, as defined in Reg CC.
- g) Checks or items not payable in United States currency.
- h) Checks or items dated more than 6 months prior to the date of deposit.
- i) Checks or items prohibited by your credit union's current procedures relating to the Services or which are otherwise not acceptable under the terms of your credit union account.

## 2. Image Quality.

The image of an item transmitted to your credit union using the Mobile Deposit must be legible. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, NCUA or any other regulatory agency, clearing house or association.

## 3. Endorsements and Procedures.

Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. We recommend you endorse your item with your signature, account number and "FOR MOBILE DEPOSIT ONLY." Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

A check payable to two payees, without an indication as to whether it is made out to both or to either, must be endorsed by both payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and your joint owner, both of you must endorse the check.

## 4. Receipt of Items.

We reserve the right to reject any item transmitted through Mobile Deposit, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from your credit union that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete. We further reserve the right to chargeback to your account at any time any item that we subsequently determine was not an eligible item. You agree that the Credit Union is not liable for any loss, costs, or fees you may incur as a result of our chargeback of an ineligible item.

#### 5. Availability of Funds.

You agree that items transmitted using Mobile Deposit are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Your credit union may hold the funds for up to seven business days from the date of deposit. In some instances, funds may be available sooner than seven business days based on such factors as credit worthiness, the length and extent of your relationship with your credit union and its affiliates, transaction and experience history, and such other factors as your credit union, in its sole discretion, deems relevant. Generally, if the funds from your deposit will be available later than the time shown above, your credit union will mail or deliver the notice as soon as practicable, but no later than the first business day following the day the facts become known to the depository bank, or the deposit is made, whichever is later.

#### 6. Disposal of Transmitted Items.

Upon your receipt of a confirmation from your credit union that we have received the image of an item, you agree to prominently mark the item as "Electronically Presented" or "VOID" and to properly dispose of the item to ensure that it is not represented for payment. And, you agree never to represent the item. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to your credit union as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for your credit union's audit purposes.

#### 7. Deposit Limits.

Mobile Deposits are limited to \$2,000 per check with a daily limit of \$5,000. First Area Credit Union reserves the right to change limits on the dollar amount and/or number of items or deposits within the sole discretion of the Credit Union.

#### 8. Hardware and Software.

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

#### 9. Errors.

You agree to notify First Area Credit Union of any suspected errors regarding items deposited through Mobile Deposit right away, and in no event later than 60 days after the applicable your

credit union account statement is sent. Unless you notify your credit union within 60 days, such statement regarding all deposits made through Mobile Deposit shall be deemed correct, and you are prohibited from bringing a claim against your credit union for such alleged error.

#### 10. Presentment.

You make the following warranties and representations with respect to each image:

- Each image 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.
- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine, and accurate.
- You will not deposit or otherwise endorse to a third party the original check and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the original check or a paper or electronic representation of the original check such that the person will be asked to make payment based on an item that has already been paid.
- There are no other duplicate images of the original check.
- The original check was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of the original check.
- You have possession of the original check and no party will submit the original check for payment.

With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation, or clearinghouse rule. You agree that files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

#### 11. Cancellation.

Your Remote Deposit Capture services remain in effect until terminated by you or the credit union. You may cancel your Remote Deposit Capture services at any time by notifying us by mail, by phone or at our branch location. We may terminate your participation in the Remote Deposit Capture services for any reason, at any time. We may to notify you in advance, but we are not obliged to do so.

12. Fees. A fee may be charged for Mobile Deposit. You are responsible for paying the fees for the use of the Service. Any fee that is charged will be disclosed prior to your deposit. First Area Credit Union may change the fees for use of the Service at any time. You authorize First Area Credit Union to deduct any such fees from any First Area Credit Union account in your name.

If your payment is returned unpaid, you authorize us to collect a fee as stated in our Schedule of Fees.

#### 13. Changes in Terms and Other Amendments.

We may change or amend any part of this agreement at any time, including changes in terms, conditions and fees, as long as we give you advance notice as required by law. Your continued use of this service constitutes acceptance of those terms and conditions.

#### 14. Accountholder's Indemnification Obligation.

You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising from your use of the Services, and/or breach of this Disclosure and Agreement, or if your account is "hacked" by any third party unless such "hacking" is the result of our gross negligence or intentional misconduct. You understand and agree that this paragraph shall survive the termination of this Agreement.

You understand and agree that you are required to indemnify our technology partners, and hold harmless, its affiliates, officers, employees and agents, from and against any third party claims, suits, proceedings, actions, or demands, including claims of another financial institution, business entity, or governmental authority, and all losses, liabilities, damages, fines, penalties, costs, and expenses, including court costs and reasonable attorneys' fees and expenses, arising from such claims, to the extent such claim is related to your use of the Services or Applications, unless such claim directly results from an action or omission made by our technology partners in bad faith. You understand and agree that this paragraph shall survive the termination of this Agreement.

DISCLAIMER OF WARRANTIES. YOU AGREE THAT YOUR USE OF ANY MOBILE BANKING SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY MOBILE BANKING SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT ANY MOBILE BANKING SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY MOBILE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.

LIMITATION OF LIABILITY. YOU 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 INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF ANY MOBILE BANKING SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.