

1st Community Credit Union Mobile Deposit Disclosure

Terms of Agreement

This agreement establishes the rules that govern the processing of deposited checks through member's account(s) at 1st Community Credit Union ("1st CCU"). Periodically, 1st CCU may amend any of the terms and conditions contained in this agreement. Such amendments shall become effective as stated on any notice sent to you, the member. Examples of such notices might include, but are not limited to, newsletters, disclosures, etc. By using the Mobile Remote Deposit, you accept all the terms and conditions of this agreement. Please read it carefully. The Account Agreements and Disclosure is hereby incorporated into and made a part of this Agreement. In the event of a discrepancy between this Agreement and the Account Agreements and Disclosure, this Agreement will control.

Definitions

In addition to all the other terms defined herein, the following terms shall have the following meanings:

1. "We," "us," "our," and "1st CCU" shall mean 1st Community Credit Union.
2. "You" and "your" shall mean the account holder(s) authorized by 1st Community Credit Union to use the 1st Community Mobile Deposit service.
3. "Account," or "accounts" shall mean the individual checking or savings share(s) deposited with 1st CCU through the 1st CCU Mobile Deposit service.
4. "Check" or "checks" shall mean negotiable demand draft(s) drawn or payable through an office of a United States based financial institution, as well as demand draft(s) drawn on a Federal Reserve Bank or a Federal Home Loan Bank or on the Treasury of the United States. Check(s) do not include noncash items payable in a medium other than United States dollars.
5. "Service" or "services" means any of the 1st CCU Mobile Deposit functions offered and or used by you in connection with this agreement, including optional and future services added by an addendum.
6. "System" means the program that is maintained by 1st CCU, or other third parties, that you connect to through the internet in order to access the services.

Services

These services are designed to allow you to make deposits to your checking, savings, or money market accounts by electronically transmitting a digital image of your paper checks to 1st CCU or 1st CCU's designated processor.

Acceptance of Terms

Your use of the 1st CCU Mobile Deposit service constitutes your acceptance of this Agreement. You agree to comply with the hardware and software requirements set forth herein. 1st CCU reserves the right to change the terms and charges for 1st CCU Mobile Deposit service described in this Agreement and we may amend, modify, add to or delete from this Agreement from time to time. Your continued use of this service will indicate your acceptance of the revised Agreement.

Eligibility

You understand that you must be a 1st CCU member in good standing, and meet other pre-determined qualifying factors to qualify for this service. To determine if you are eligible for this service, visit any 1st CCU branch or call our office at one of the following numbers: 608-269-8121, 608-786-2420 or Toll-Free at 888-706-1228

Compliance with Laws

You agree to comply with all local, state, and federal rules, laws, and regulations. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which the Credit Union is a party that govern the services we provide. You promise to indemnify and hold 1st CCU harmless for 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.

Limitations of Services

When using 1st CCU Mobile Deposit, you may experience technical or other difficulties. It is your sole responsibility to verify that items deposited using 1st CCU Mobile Deposit have been received and accepted for deposit by us. We do not assume liability for any technical or other difficulties that you may incur. We are not responsible for any fees incurred as a result of any technical difficulties. In the event that the Services are interrupted or are otherwise unavailable, you acknowledge that you may deposit original checks to your 1st CCU account in person at a branch, ATM, or by U.S. mail. If any checks were scanned prior to the system failure, you must obtain our approval before delivering the checks to a branch office for processing by calling our Accounting Department at 608-269-8121.

Charges or Fees

1st CCU will not charge a usage fee for this service. We reserve the right to start charging for this service at any time. In the event there is a change in charges for the use of this service, we will send you an electronic notification at the email address on file to notify you of the change. Charges will be assessed for any claims, disputes, or research regarding deposits made beyond 60 days from the requested date. The fee for this research is in accordance with our Fee Schedule and subject to change without prior notice.

Funds Availability

For determining the availability of Your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Our policy is to make the funds you deposit into your account available to You on the 1st business day after the day We receive Your deposit. (Refer to your Funds Availability Policy Disclosure that you received at account opening). Although we aim to deposit all funds immediately, there will be situations that require review. This review will cause a delay in the depository process and the potential for a hold to be placed on the funds.

If a deposit meets any of the following exception reasons, there will be a delay in the funds being deposited.

- Individual Items over \$1,000
- Batches totaling over \$1,000
- Items over your given depository limit shown as "Maximum Check Amount" on the Mobile Deposit screen on the mobile app
- Duplicate items
- Item amount discrepancies

These exceptions are reviewed once a day on every business day only. Once the items have been reviewed, the funds will either be deposited by the end of the next business day, or an email will be sent notifying you of a rejected deposit. Credit given for the item is provisional and subject to final approval of the item. Funds you deposit may be delayed for a longer period of time when we have reasonable cause to believe the check is uncollectable. We will notify you if we delay your ability to withdraw funds because

we believe the check is uncollectable and we will tell you when funds will be available. You agree to receive all notifications regarding your use of this service, including but not limited to exception notices as required by Regulation CC via electronic message. With respect to each item you send to 1st CCU for deposit, you agree to indemnify and reimburse 1st CCU for and hold 1st CCU harmless from and against any and all losses, costs, and expenses.

Eligible Items for Deposit

You agree to scan and deposit only “checks” which is defined in Federal 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.

Ineligible Checks

You understand and agree that you are not permitted to deposit the following items using 1st CCU Mobile Deposit:

- Any item drawn on your personal account at 1st CCU
- Any item issued by a financial institution in a foreign country
- Any third party check (i.e., any item that is made payable to another party and then endorsed to you by such party)
- Checks or items containing an obvious alteration to any of the fields on the front of the check or item which you know or suspect, or should know or suspect to be fraudulent
- Any item that has been redeposited or returned previously
- Checks that require authorization (COMCHEKS, RapidDrafts)
- Savings Bonds
- Travelers checks
- Warrant checks
- Money orders
- Rebate checks (including merchant refund checks)
- Stale or post-dated checks

Endorsements

You agree to properly endorse each check with the approved endorsement prior to submitting such check through 1st CCU Mobile Deposit. Please follow these instructions when depositing checks via Mobile Deposit Capture:

- **Do NOT sign your name on the back of the check**
- **Write "For 1st CCU Mobile Deposit Only" on the back of the check**
- **The system uses character recognition to ensure that the approved endorsement (*and ONLY the approved endorsement*) has been written on the back of each check**
- **The system will reject checks that contain a signature or any characters other than the approved endorsement**
- **Use only the approved endorsement wording "For 1st CCU Mobile Deposit Only"**

Image Quality

The image of the item transmitted to us must accurately and legibly provide all the information on the front and back of the check at the time of presentment to you by the drawer. The scanned image of the check transmitted to us using 1st CCU Mobile Deposit must accurately and legibly provide, among other things, the following information: (1) your endorsement; (2) the information identifying the drawer and the paying

bank that is preprinted on the check, including complete and accurate MICR information and the signatures; and (3) 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. The image quality of the check must comply with the requirements established by the American National Standards Institute (“ANSI”), clearing house, association or any other regulatory agency.

Deposit Limits

We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using 1st CCU Mobile Deposit and to modify such limits from time to time. Limits vary depending on pre-determined specifications. Please contact 1st CCU for more information regarding your deposit limit. Unless otherwise indicated, you may deposit \$1,500 per day.

Returned Deposits

Any credit to your account using 1st CCU Mobile Deposit is provisional. If a check deposited through 1st CCU Mobile Deposit is dishonored, rejected, or otherwise returned as unpaid by the drawee bank, or the item is rejected, or returned by a clearing agent or collecting bank, for any reason, including but not limited to, issues relating to the quality of the image, you agree that an original check will not be returned to you, but that we may charge back the amount of the original check and provide you with an image of the original check, a paper reproduction of the original check, or a substitute check. You agree to reimburse us for all loss, cost, damage, or expense caused by or relating to the processing of the returned item. Without our approval, you should not attempt to deposit or otherwise negotiate an original check if it has been charged back to you. We may debit any of your accounts to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

Hardware and Software Requirements

In order to use 1st CCU Mobile Deposit, you must obtain, maintain, and keep up to date, at your expense, compatible hardware and software as specified by 1st CCU from time to time. If for any reason you have difficulties logging on, contact us by stopping in to your local branch, emailing general@1stccu.com, or call 608-269-8121 (Sparta office) or 888-706-1228.

Retention and Destruction of Original Checks

Upon your receipt of a confirmation from us that we have received the image of an item, you agree to prominently mark the item as ‘Electronically Deposited’ or ‘Deposited [date]’ to ensure it is not re-presented for payment.

- **You agree to securely store each original check that you deposit using 1st CCU Mobile Deposit for a period of at least thirty (30) days after transmission to us.**
- **After thirty (30) days from the transmission of the original check, you agree to safely destroy the original check.**
- **You will promptly provide any retained checks during the retention period to 1st CCU as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for our audit purposes. If you are unable to provide the 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.**
- **You agree to never re-present the check for deposit unless direct by 1st CCU to do so.**

If copies are requested from past deposits, you understand that there is a research fee for gathering the requested items. Any copy requested that has been deposited within the last 60 days of the requested date can be provided by the next business day. The receiving time for copies requested that were

deposited beyond 60 days from the requested date will vary per situation.

Errors or Discrepancies

You understand and agree that you are solely responsible to examine all notices and statements from us in a timely manner. You are required to immediately notify us of any suspected error regarding checks deposited through 1st CCU Mobile Deposit by calling 608-269-8121 (Sparta office) or 888-706-1228, or emailing us at general@1stccu.com by no later than sixty (60) days after the date of the monthly periodic statement that includes any transaction you allege is erroneous. After sixty (60) days, we will consider the transaction to be correct and you will be responsible for any errors that you fail to bring to our attention within such time period.

Accountholder's Warranties

You make the following warranties and representations with respect to your use of 1st CCU Mobile Deposit and each image of an original check you transmit to us using the Service:

- You have the authority to enter into this Agreement and perform your obligations hereunder.
- 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.
- The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- 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.
- 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.
- You have not knowingly failed to communicate any material information to us.
- You will retain possession of each original check deposited using 1st CCU Mobile Deposit for the required retention period and neither you nor any other party will submit the original check for payment.
- You will not use 1st CCU Mobile Deposit and/or your accounts for any illegal activity or transactions.
- 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.
- All information provided by you is accurate and true.

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 out of your use of 1st CCU Mobile Deposit and/or breach of this Agreement. You understand and agree that this paragraph shall survive termination of this Agreement.

Termination

You may request at any time to terminate the 1st CCU Mobile Deposit service provided for in this Agreement. We reserve the right to change, suspend, or revoke the 1st CCU Mobile Deposit service at any time without prior notice to you. In the event of termination of the Service, you will remain liable for all transactions performed on your account; we shall not be liable for any damage caused as a result of termination of service. Upon termination, you will immediately cease using the Service and you shall promptly remit all unpaid amounts due under this Agreement, if any. 1st CCU may immediately suspend or terminate your access to the Services in the event that the Credit Union reasonably determines such suspension or termination is necessary in order to protect the Services or the Credit Union from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Agreement or are otherwise using the Services in a manner inconsistent with the terms of this Agreement or with applicable law.

Disclaimer of Warranty

You understand and agree that your use of the services is at your risk. You also understand and agree that the services and all information and content (including that of third parties) is provided on an “as is” and “as available” basis. You understand and agree that we do not make any warranties of any kind as to the use of the services, 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 non-infringement. We make no warranty that the services will meet your requirements or will be uninterrupted, timely, secure, or error-free. We also make no warranty that the results that may be obtained from using the services will be accurate or reliable, or that any errors in the services or technology will be corrected. 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 1st CCU’s use of any of them or arising in any way from the installation, use, or maintenance of your personal computer hardware, software, or other equipment.

Limitation of Liability

To the maximum extent permitted by applicable law, in no event will we be liable for any direct, indirect, incidental, punitive, special, consequential or exemplary damages, including, but not limited to damages for loss of profits, goodwill, use, data or other losses resulting from or attributable to the use or the inability to use the services incurred by you or any third party arising from or attributable to the use of, inability to use, the termination of the use of the Services, or your breach of this agreement, regardless of the form of action or claim (whether contract, tort, strict liability, or otherwise), even if 1st CCU has been informed of the possibility thereof. 1st CCU’s licensors or suppliers will not be subject to any liability to you in connection with any matter.

Security Requirements

To prevent unauthorized usage of 1st CCU Mobile Deposit, you agree to ensure the security of the personal computer and/or mobile device you own and use to access the Service. By securing these devices, we specifically mean installing operating patches, antivirus software, firewall and spyware detection as applicable and keeping this security software current, as well as securing the physical device from theft or unauthorized use. You understand the importance of your role in preventing misuse of your accounts associated with the 1st CCU Mobile Deposit service, and you agree to promptly examine your paper or electronic statement for each of your 1st CCU accounts as soon as you receive it and notify us of any errors or discrepancies. You agree to protect the confidentiality of your accounts and account number and passwords and not provide your username or passwords to any unauthorized persons. You agree to notify us immediately if you believe any passwords have been lost, stolen, used without your permission, or otherwise compromised.

Email Address

You agree to keep a valid email address on file with us, and agree to notify us immediately if you change your email address. You can change your email address in the Online Banking System. If there is not a valid email address on file or your email address is blocking emails from 1st CCU, you understand that the 1st CCU Mobile Deposit service could be suspended until the email address is updated.

Confidentiality

You acknowledge that we will disclose information to third parties about your account or the image items you deposit:

1. to enable your access to the Services and the system.
2. when it is necessary for completing deposits, and
3. as required by law.

Authorized Users

If you have designated an authorized user on your account, your authorized user will also have online access to the 1st CCU Mobile Deposit service. You and your authorized user(s) are equally responsible for adhering to all items disclosed in this Agreement.

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 in the Services due to causes beyond our reasonable control.

Assignment

You may not assign this Agreement.

Governing Law

This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Wisconsin, except that any conflict of laws rule of that jurisdiction that may require reference to the laws of some other jurisdiction shall be disregarded. Any lawsuit brought to enforce any provision of this Agreement shall only be brought in a state court in Monroe County, or the nearest federal court to said County.

Severability

If one or more provision(s) of this Agreement is or are held to be invalid, illegal or unenforceable under applicable law, the offending portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this Agreement, and the balance of this Agreement shall be enforceable in accordance with its terms.

Accessibility

1st CCU is actively taking steps to implement services that are accessible to our members with disabilities. This commitment is ongoing. If you experience difficulties in accessing 1st CCU's mobile app please call us at 888-706-1228 or email general@1stccu.com and we will work with you to provide the information you seek through a communication method that is accessible to you.