

North Georgia Credit Union
Mobile Deposit Capture Service Agreement and Disclosure

A. Introduction. This Mobile Deposit Capture Service Agreement (“Agreement”) is the contract which covers your and our rights and responsibilities concerning the Mobile Deposit Capture Services (“Service(s)”) offered by North Georgia Credit Union (“Credit Union”). The words “we,” “us,” and “our” all are references to North Georgia Credit Union. The word “Account” means any one or more deposit accounts you have with the Credit Union and shall include both consumer and Doing Business As (DBA) Accounts. The terms “Processor” may be used interchangeably when used in relation to any services performed by the Credit Union or by a processor or vendor on behalf of the Credit Union with respect for the Service. This Mobile Deposit Service is subject to the following terms and conditions. The terms, provisions and conditions of this Agreement do not replace, but supplement, any and all other agreements (now or in the future) that govern any of your accounts at the Credit Union. In the event of a conflict between the terms of this Agreement and any other agreement governing your accounts, this Agreement will govern with respect to the Mobile Deposit Capture Service and your use of the Service.

B. General Terms and Conditions. We may add new terms and such changes shall become effective as stated in any notice sent to you. Examples of such notices include, but are not limited to, newsletters, emails, disclosures, etc. Your continued use of the Service will indicate your acceptance of such changes.

This Agreement establishes the rules that govern the processing of deposited checks through members’ accounts using the Credit Union’s Mobile Deposit Capture Service. The acceptance of this Agreement or use of the Service means you agree to all terms and conditions in this Agreement. Please read this Agreement carefully and keep a copy for your records.

C. Deposit Limits. The Credit Union may establish daily and/or monthly limits on the dollar amount and/or number of items or deposits at any time at our discretion. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit, and the account will not be credited. These limits are:

- **Daily Deposit Limit of \$1,500.00**
- **Number of Checks Deposited per day = 3**

D. Mobile Deposit Capture Service. This Service allows you to deposit (“Original Checks”) to your checking, or savings accounts with the Credit Union App from home or other remote locations by using your eligible mobile device to capture front and back images of the Original Checks and transmitting the digital images and associated deposit information (“Images”) to us or our Processor with your mobile device. The Credit Union will review the images to ensure it meets image quality standards for deposit and collection of the check.

- **Eligibility:** (1) You must be enrolled in Online Banking (2) Have the mobile app installed on your mobile device (3) Have one or more eligible deposit accounts and your accounts must be in good standing.
- **Enrollment:** In order to use Mobile Deposit Capture, you must: (1) Enroll in the Credit Union's Online Banking first (2) Have an eligible mobile device. – Only certain mobile devices may be used with the Service, as specified by us from time to time. (3) Download the Credit Union's app (4) Submit an application to use the Service.
- **It is your responsibility to provide us with accurate telephone numbers and an email address and to notify us immediately if any of your contact information changes.** We reserve the right to refuse or cancel your registration for the Service if we cannot verify information about you and/or your mobile device.
- **Fees and Charges:** There are currently no charges for the Mobile Deposit Capture Service. The Credit union will advise you of any fee changes prior to implementing them. You agree to pay for any fees and charges in accordance with the Credit Union's Fee Schedule. You are responsible for all charges from your internet service provider and/or mobile carrier.
- **Service Availability.** Mobile Deposit Capture may be unavailable temporarily due to system maintenance or technical difficulties, including those of the internet service provider, cellular service provider and internet software. The Credit Union will not assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you.

E. Eligible Items. You agree that you will only scan and deposit a Check as that term is defined in Federal Reserve Regulation CC. You agree that the image of the Check that is transmitted to the Credit Union shall be deemed an "Item" as that term is used in the Uniform Commercial Code. You agree that you will not scan and deposit any of the following types of checks or other items which shall be considered ineligible items:

- Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into
- Checks payable jointly, unless deposited into an account in the name of all payees
- Checks containing any alteration of which you know or should have known or believe to be fraudulent or not authorized by the owner of the account on which the check is drawn
- Checks that have been previously deposited through this Service or through a remote deposit capture service offered at any other financial institution whether as an original item, substitute check or image replacement document
- Checks that are remotely created checks, as defined in Regulation CC

- Checks that are stale dated, dated more than six (6) months prior to the date of deposit
- Checks that are postdated, display a future date.
- Insurance checks
- Checks written off an account at a financial institution located outside the United States
- Checks not payable in United States currency
- Checks with any endorsement on the back other than that specified in this agreement
- Checks or items that are drawn or otherwise issued by the U.S. Treasury Department
- Checks that are in violation of any federal or state law, rule, or regulation
- Checks that are a credit card advance or other loan advance instruments
- Checks requiring verification or additional information
- Checks that are otherwise not acceptable under the terms of your Account Agreement
- Money orders are not eligible for deposit through the Service

Any check that you attempt to deposit using our Mobile Deposit Capture Service is subject to verification by the Credit Union and final settlement. We may reject an item for deposit for any reason and will not be liable to you. In such a case, you will need to negotiate the Item by other means, such as visiting one of our branches, night depository, or by mail.

F. Check Requirements and Image Quality. The image of an item transmitted to the Credit Union using the Service must be legible, as determined in the sole discretion of the Credit Union. You are responsible for the image quality of any image that you transmit. If an image that we receive from you for your deposit is not sufficient quality, we may reject the image without prior notice to you.

Each image must provide all information on the front and back of the original check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying financial institution that is preprinted on the front of the original check and any endorsements applied to the back of the original check.

- **Image Quality:** The image quality must meet the standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.
- **Endorsements:** Endorsements must be made on the back of the check/share draft within 1 ½ inches from the top edge. Your endorsement on the back of the original check must include:

Your Signature
The words “For NGCU Mobile Deposit Only”
Current date (preferred but optional)

- **If the check is not endorsed with the required endorsement, it will NOT be accepted for deposit.** Any loss you incur from a delay or processing error resulting from an irregular endorsement or other markings will be your responsibility.

G. Handling of Transmitted Items. You represent and warrant that you are authorized to use the Mobile Deposit Capture Service and perform your obligations under this Agreement. You will use Mobile Deposit Capture for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations.

You shall not present, or attempt to present, or allow others, either directly or indirectly to present, or attempt to present an item to be deposited or presented for payment more than once to the extent that it could result in the payment of the item more than once. If an Image of an item has been transmitted to us or any other financial institution, you will not allow the item to be subsequently presented by any other means. In the event that you, or any third party presents, or attempts to present a deposit more than once, you agree to defend, indemnify, and hold the Credit Union and its agents harmless from and against all liability, damage and loss arising out of or related to any claims, suits, or demands brought by third parties with respect to any such substitute check or original Check. You agree that the aggregate amount of any Items which are deposited more than once will be debited from your Account. In the event that the funds are insufficient to cover such amount, any balance shall be debited by the Credit Union from any other deposit accounts with the Credit Union in its sole discretion. There may also be a fee assessed according to our Fee Schedule. You further acknowledge that you and not the Credit Union are responsible for the processing and handling of any original Items which are imaged and deposited utilizing the Service and that you assume all liability to the drawer of any Item imaged using the Service or liability arising from the Credit Union's printing of any substitute check from those images.

For any image which you have transmitted to North Georgia Credit Union, you shall be responsible for preventing the transmission of another image of the item or presentment of the item by any other means. You agree to retain the item for at least 45 days from the date of deposit, securely store the item and deliver any original item to us upon our request. Upon expiration of the 45-day period, you shall mark the Item "VOID", destroy and dispose of any image of which you have transmitted an image or otherwise render it incapable of further transmission, deposit, or presentment. During the period that you maintain the original Checks, you understand and agree that you must use a high degree of care to protect these original Checks against security risks. These risks include, without limitation, (1) theft or reproduction of the original Checks (including by your employees) for purposes of presentment for deposit of these original Checks (i.e. after the original Checks have already been presented for deposit via Mobile Deposit Capture Service) and (2) unauthorized use of information derived from the original Checks. When you destroy and dispose of the original Checks pursuant to the requirements of this Agreement, you understand and agree that you must use a high degree of care when selecting and implementing destruction and disposal procedures. Among other things, these procedures

must be designed to ensure that the original Checks are not accessed by unauthorized persons during the destruction and disposal process and once destroyed, the original Checks are no longer readable or capable of being reconstructed (i.e. through the use of competent copying equipment). It is further suggested that appropriate security procedures include limiting access to the Checks to authorized persons and preventing copying of additional scanning of items presented using Mobile Deposit Capture. If the original item is still in existence, you agree to promptly provide the Item upon request by the Credit Union.

You agree to cooperate with us in the review or investigation of any transactions, poor quality transmissions or claims including, without limitation, by providing upon request and without cost, any originals or copies of items in your possession and your records relating to items and transmissions. In the event you fail to comply with our request, you agree to be liable for any loss arising from your failure.

By using the Services, you accept the risk that an item may be intercepted or misdirected during transmission. The Credit Union bears no liability to you or others for any such intercepted or misdirected items or information disclosed through such errors.

All images processed for deposit through Mobile Deposit Capture will be treated as “deposits” under your current Membership and Account Agreement with us and will be subject to all terms of the Membership Booklet and Truth-in-Savings Disclosure.

- **Item Processing:** We may process the images you send to us electronically through other financial institutions, or we may create Image Replacement Documents that will be processed through traditional check processing methods. If you send us images that are incomplete, fail to meet quality requirements or otherwise do not allow us to meet the requirements of Check 21 or any image exchange agreement that would cover our further electronic transmission of images that you send us, or we are otherwise unable to process images that you send us, we may charge the images back to your account or any other account in your name. You agree to be bound by any clearinghouse agreements operating circulars and image exchange agreements to which we are a party.
- **Receipt of Items:** We reserve the right to reject any image or item transmitted through the service at our discretion, without liability to you. We are not obligated to notify you that a Mobile Deposit Check has been rejected. You may always negotiate the Mobile Deposit in person or through other means. Notwithstanding acceptance of a Mobile Deposit Check by the Credit Union, any credit to your Account(s) will be provisional and you will remain liable to the Credit Union for any errors, inaccuracies, breach of warranties or any other loss or claim against the Credit Union arising from or related to the Mobile Deposit Capture Service. We are not responsible for any image we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received only when you have received final credit to your account. We further reserve the right to charge back 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.

- **Funds Availability:** If an image you transmit through the Service is received before **4:00 PM** Eastern Time on **Monday – Friday** (excluding Federal Reserve Holidays and the Credit Union holidays), we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are open. You agree, however, that items transmitted through the Service are not subject to the funds availability requirement set forth in the “Funds Availability Policy and Disclosure” section of the Credit Union’s Membership and Agreement and Disclosures or Regulation CC of the Federal Reserve Board. Checks less than \$500 will be available the second business day after deposit. Checks greater than \$500 will generally be available on the third business day after deposit. Longer holds may apply. For the purpose of establishing funds availability, your deposits through Mobile Deposit Capture Service are deemed to be received by the Credit Union at the time the deposit posts to the Account. Acknowledgement or receipt or delivery does not constitute an acknowledgement by the Credit Union that the transmission of a Check or Item does not contain errors. Before using any funds by any access methods, you should check to ensure you have available funds to cover any transactions you make.

The Credit Union may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we deem relevant. We reserve the right to delay availability up to 60 days from the date we receive payment for items transmitted through the Service.

H. Returned Deposits. Any credit to your account for checks deposited using Mobile Deposit Capture is provisional. If Original Checks deposited through Mobile Deposit Capture are dishonored, rejected or otherwise returned unpaid by the drawee financial institution, or are rejected or returned by a clearing agent or collecting financial institution, 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 substitute check. You will reimburse the Credit Union for **ALL** loss, cost, damage and/or expense caused by or relating to the processing of the returned item. Without our approval, you shall 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 (excluding Tax-favored 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.

- **Return Item Fee:** As already established, we will charge a return fee disclosed in our Fee Schedule which represents only a part of the required Truth-In-Savings

Disclosures and must be used together with the Account Agreement to obtain full and complete disclosure of all terms and conditions of your account.

I. Your Warranties. You make the following warranties and representations with respect to each image:

- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine and accurate;
- The drawer of the Check has no defense against payment of the Check;
- 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;
- That the Items and Checks presented do not contain any computer viruses or other harmful, intrusive or invasive codes;
- That you will assist the Credit Union and its processor in resolving any errors, disputes or other issues related to Mobile Deposit Capture Services;
- All encoding, transfer, presentment and other warranties as the Credit Union is deemed to make applicable law, including without limitation those under the UCC, Regulation CC and the rules of any image exchange network.

In the event that you breach any of these representations or warranties, you agree to defend, indemnify and hold the Credit Union and its agents harmless from and against all liability, damages and loss arising out of any claims, suits or demands brought by third parties with respect to any such demand, claim or suit that constitutes a breach of warranty claim under the provisions of the Uniform Commercial Code.

J. Your Responsibilities. You are solely responsible for the quality, completeness, accuracy, validity and integrity of the Check Image. You are solely responsible if you intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us, or if Mobile Deposit Capture is used by authorized or unauthorized person to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

You agree to notify us of any suspected errors regarding items deposited through the Service right away, and in no event later than 30 days after the applicable Credit Union Account statement is sent or otherwise made available. Unless you notify us within 30 days, such statement regarding all deposits made through the Service shall be deemed correct and you are prohibited from bringing a claim against the Credit Union for such alleged error.

You are, and shall remain, solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds, associated with accessing the service. The Credit Union shall not be liable in any manner for such risk. You assume exclusive responsibility for the consequences of any instructions you may give to the Credit Union for our failure to access the service properly in a manner prescribed by the Credit Union, and for your failure to supply accurate input information, including, without limitation, any information contained in an application.

K. Authorized Users. The Credit Union shall be entitled to rely on the apparent authority of any person who accesses the Services using valid member and user login IDs and passwords. Including such persons who may not be signers on the account. Except as otherwise provided by law, you will indemnify the Credit Union and hold it harmless for any loss or expense caused by any person with the apparent authority to access the Service. You assume full responsibility for the consequences of any misuse or unauthorized use of or access to the Service or disclosure of any confidential information or our instructions by your employees, agents, or other third parties. You agree to provide each authorized user a copy of these terms in connection with their use of the Service. The Credit union may elect to verify the authenticity or content of any transmission by placing a call to any authorized signer on your account at our discretion. We may deny your access to the Service without prior notice if we are unable to confirm any person's authority to access the Services or if we believe such action is necessary for security reasons.

L. Security Requirements. To prevent unauthorized usage of the Service, you agree to ensure the security of the devices that you own and use to access the Service. By securing these devices, we specifically mean installing operating system 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 that you must at your sole cost and expense, obtain and use hardware and software that meets all technical requirements for the proper delivery of Mobile Deposit and fulfills your obligation to obtain and maintain secure access to the internet. You understand and agree that you may also incur and pay any and all expenses related to the use of Mobile Deposit Capture, including but not limited to phone service and/or internet service charges. You understand and agree that the Credit Union is not responsible for and you release the Credit Union from any and all claims or damages resulting from, or related to, any computer virus resulting from or related to any computer virus that may be related to or associated with using electronic mail or the internet. The Credit Union advises you to regularly scan your computer/mobile device using reliable virus detection products and maintains system firewalls to detect and remove computer viruses. Additionally, the Credit Union may also request additional information from you.

All rights, title and interest in and to (1) any and all computer programs, including but not limited to source and object codes, and any and all updates, fixes and enhancements to the Mobile Deposit Capture Service Software ("Software") and (2) any and all Help Information, instructions and Documentation ("Documentation") shall be and will remain the property of the Credit Union and/or third-party vendor, as applicable. You agree that

you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology of Mobile Deposit Capture Software or Documentation. You also agree that you will not copy or reproduce all or part of the technology or Service or interfere, or attempt to interfere with the technology or Service.

M. Right to Terminate. In addition to any other provision in the Agreement or the Deposit Agreement on the subject, the Credit Union may in its sole discretion and without prior notice to you unless otherwise required by applicable law, elect to suspend or terminate your use of the Mobile Deposit Capture Service (1) if you or we close the Deposit Account(s) established in connection with the Mobile Deposit Capture Service, (2) if we reasonably suspect that you have engaged in fraud or other abuse with regard to the Mobile Deposit Capture Service, (3) in the event of a material breach in the performance or observance of any term, or breach of any representation or warranty by you, (4) if we believe immediate action is required for the security of your or the Credit Union funds, or (5) if we reasonably believe that the continued provision of the Mobile Deposit Capture Service would violate federal, state or local laws or regulations, or would subject the Credit Union to unacceptable risk of loss, harm or compromise of integrity, security, reputation or operation. Notwithstanding any termination, this Agreement shall remain in full force and effect with respect to all transaction prior to such termination.

Upon termination of this Agreement, (1) you will immediately cease using the Mobile Deposit Capture Service, and (2) you shall promptly remit all unpaid monies due under this Agreement. The Credit Union's security interest in your Accounts will continue until the expiration of any time period for return of any item on which you may be liable.

N. Limitations and Warranty Disclaimers. We and our service providers disclaim all warranties relating to the Mobile Banking – Mobiliti Services or otherwise in connection with this Agreement, whether oral or written, express, implied or statutory, including, without limitation, the implied warranties of merchantability, fitness for particular purpose and non-infringement. The Credit Union's liability shall be limited to direct damages sustained by you and only to the extent that such damages are a direct result of the Credit Union's gross negligence or willful misconduct; provided that the maximum aggregate liability of the Credit Union resulting from any such claims shall not exceed the total fees paid by you for the service resulting in such liability in the six-month period preceding the date the claim accrued. In no event shall the Credit Union be liable for special, incidental, punitive or consequential loss or damage of any kind including lost profits whether or not the Credit Union has been advised of the possibility of such loss or damage. The Credit Union's licensors or suppliers will not be subject to any liability to member in connection with any matter.

M. Force Majeure. The Credit Union shall not be responsible for liability, loss or damage of any kind resulting from any delay in the performance of or failure to perform its responsibilities hereunder due to causes beyond the Credit Union's reasonable control.