

COPOCO COMMUNITY CREDIT UNION MOBILE DEPOSIT CAPTURE DISCLOSURE AND AGREEMENT

This Mobile Deposit Capture Disclosure and Agreement contains the terms and conditions for the use of COPOCO Community Credit Union's Mobile Deposit Capture Service. Our Mobile Deposit Capture Service allows you to make Mobile Deposits to your account(s) with us using our Mobile App on your Mobile Device.

Definitions. In this Mobile Deposit Capture Disclosure and Agreement ("Agreement") the terms "we", "us", "our" and "Credit Union" refer to COPOCO Community Credit Union, and the terms "you" and "your" refer to each person who has entered into this Agreement with us. The word "Service" means our Mobile Deposit Capture Service. The term "Mobile App" means the COPOCO Community Credit Union Mobile Application that allows you to access your Credit Union account(s) through use of an internet connection and an internet-enabled mobile device, such as a smartphone or tablet. The term "Mobile Device" means the smartphone, tablet, or other electronic device on which you have installed the Mobile App. The term "Mobile Deposit" means a check deposit made to your Credit Union account(s) through use of your Mobile App on your Mobile Device using the Service.

Other Agreements. You understand and agree that other agreements you have with us, including but not limited to our Share/Share Draft and EFT Disclosures including the Mobile Deposit Agreement, also apply to this Agreement, and are hereby incorporated by reference and made of part of this Agreement. In the event of any conflict between the provisions of those other agreements and this Agreement, then this Agreement shall control with respect to the subject matter covered by this Agreement.

Mobile Deposit Capture Service. The Service requires that you have an internet connection on your Mobile Device in order to make Mobile Deposits. Your Mobile Device must have a camera. To make a Mobile Deposit with your Mobile App, you must properly endorse the check you want to deposit, as explained in more detail below, then take photographs of both the front and the back of the check using our Mobile App, then submit the images of the endorsed check electronically for deposit processing.

Acceptance of Agreement. You understand and agree that your use of the Service constitutes acceptance of this Agreement. We reserve the right to change this Agreement from time to time, and at any time, subject to applicable law. We will notify you of any material change and may, at our discretion, use various delivery channels, including e-mail, our website, our mobile banking platform, hyperlink, or U.S. Mail. When providing notice, we will use the most recent electronic and/or physical address we have on file for you. Notice of any change is effective when delivered to you, and your continued use of the Service after such notice constitutes acceptance of the modified terms and conditions. We reserve the right, at our discretion, to change, modify, add to, or remove portions from the Service at any time.

Equipment. You understand that in order to use the Service, you must maintain at your own expense: a currently supported Mobile Device with a camera; a currently supported operating system; and a data plan for the Mobile Device. You must also download the Mobile App and install it on your Mobile Device. We do not guarantee that any particular Mobile Device, camera, operating system, or mobile carrier will be compatible with the Service. You understand that we may update the minimum standards for compatible hardware and software from time to time.

Deposits; Deposit Limits. You understand and agree that the Mobile Deposit of checks are accepted at the sole discretion of the Credit Union, and that we reserve the right to refuse to accept any check image submitted for deposit.

Mobile Deposits are subject to limitations on the amount that may be deposited:

- Any single check submitted for Mobile Deposit may not exceed \$1,500.00.
- Aggregate check deposits in any 24-hour period may not exceed \$2,500.00.

If you attempt to make a deposit in excess of these limits, we may reject your deposit. If we allow you to make any deposit that exceeds these limits, such deposit will be subject to the terms and conditions of this Agreement, but such acceptance by Us shall not constitute a waiver of our right to impose limits, and shall not obligate us in any way to allow deposits in excess of these limits in the future. Deposit limits may be changed by us from time to time upon notice to you.

Eligible Items. Not all checks are eligible to be deposited through the Service. You agree that you will use the Service to deposit only original checks (items) that are payable to you that are drawn on financial institutions located in the United States of America. You agree that you will **NOT** use the Service to Mobile deposit any ineligible checks or other ineligible items that are listed below:

1. Checks or items payable to any person or entity other than you.
2. Third-party checks (i.e., any item that is made payable to another party and then endorsed over to you by such party).
3. Checks or items drawn on one account that are being deposited to the same account.
4. Checks or items containing any obvious alterations to any of the fields on the front of the check, 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 is drawn.
5. Checks or items drawn on a financial institution located outside the United States of America.
6. Checks or items not payable in U.S. Currency.
7. Photocopies of checks.

- 8. Money Orders.
- 9. Savings Bonds.
- 10. Checks previously submitted for deposit.
- 11. Checks or items prohibited by our current procedures.
- 12. Marketing Propaganda Check (i.e., checks that are not created by the paying bank and that do not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn)
- 13. Checks or items that have been converted to Substitute Checks (i.e., a paper reproduction of an original check that contains a slightly reduced image of the front and back of the original check that is created, pursuant to Regulation CC (12 CFR 229.1 *et seq.*), for automated processing).

You agree that the image of any check transmitted to us through the Service shall be deemed an "item" within the meaning of Article 4 of the applicable Uniform Commercial Code. You understand that this Agreement shall not be construed as requiring us to accept any check or item for deposit, even if we have previously accepted that type of check or item. Use of the Service for deposit of any ineligible items may result in the suspension or termination of your use of the Service, and an immediate reversal of the transaction or credit to your deposit account with us (i.e., the amount of the deposit(s) will be removed from your account and your account balance will be reduced, and may become negative) A \$35 return check fee will apply.

At our discretion, we reserve the right to reject any item transmitted through the Service without liability.

Endorsement Requirements. You agree to endorse the back of any item you intend to deposit prior to transmitting it to us, and to send a photo of the front and back of the item presented for payment. Endorsements must be made within one and one-half inches (1½") from the top edge of the back of the check, although we may accept endorsements that extend below that space. Endorsements must include the following:

- 1. The payee's signature
- 2. The words "For Mobile Deposit Only to COPOCO CCU" (*see examples*)

ENDORSE HERE

***** YOUR SIGNATURE*****

X

FOR MOBILE DEPOSIT ONLY

COPOCO CCU

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

RESERVED FOR FINANCIAL INSTITUTION

ENDORSE HERE

***** YOUR SIGNATURE*****

X

FOR MOBILE DEPOSIT ONLY

COPOCO CCU

CHECK HERE IF MOBILE DEPOSIT

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE

RESERVED FOR FINANCIAL INSTITUTION

If a check is payable to two parties and the word "or" appears between the names, then either payee may endorse the check. If a check is payable to two parties and the word "and" appears between the names, then the check must be endorsed by both payees, and both payees must be joint account holders on the account receiving the deposit.

Failure to properly endorse items could result in the item(s) being rejected for deposit.

Image Quality. The photographic images of the front and back of any check you transmit for deposit with the Service, including the endorsement, must be legible. Any such images must meet the standards established from time to time by the American National Standards Institute (ANSI), and all laws and regulations that the Credit Union is required to observe, including those of any regulatory agency, clearing house or association, payment system, or intermediary.

To ensure a legible image, the check should be placed against a dark background, the images of both sides of the check must be in focus, and all four corners of both sides of the check must be visible within the area designated by the Mobile App. In the event that any image fails to meet these legibility standards, the deposit may be rejected.

You are solely responsible for the quality, completeness, accuracy, validity and integrity of the images you submit. You understand that you are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us. Further, you are solely responsible if your Mobile Device is used by any authorized or unauthorized user to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us through the Service.

Retention and Disposal of Mobile Deposited Checks. To ensure that any problems with a Mobile Deposit can be addressed, such as a problem with image quality, a problem with the transmission, or if there is any other problem with the deposit, you agree that you will retain the original physical check until you have confirmed your deposit and the funds have been credited to your

account. You should keep the original check in a safe place for a period of 30 days after you have transmitted the check to us for deposit. You agree that you will make the original check available to us upon our request during that time.

After you have confirmed your deposit and the funds have been credited to your account, you must make a notation in the "memo" field on the front of the check the words "mobile deposited" and the date that the deposit was transmitted to us through the Service.

You agree that you will not re-present for deposit to Us, or to any other financial institution, any original check or item that has been submitted through the Service for Mobile Deposit unless we have notified you that the check or item will not be accepted for deposit by Us through the Service.

After you have received notice from Us that the deposit has been accepted, and after the 30-day retention period has expired, you agree that you will promptly destroy the original check in such a way that it cannot be resubmitted for deposit, such as by cross-cut shredding, or other similarly effective destructive means. *You understand and agree that after the original check has been destroyed, the photographic image you submit will be the only evidence of the original check.*

Receipt of Items. We reserve the right to reject any item transmitted through the Service, at our discretion, without liability to you. We are not responsible for items that we do not receive, or for images that are 'dropped' during transmission. Once we receive an image of an item for deposit; we will review the item for processing. You should review the deposit history of your account to confirm status of the deposit. No additional notice will be sent if for any reason the deposit was rejected.

Availability of Funds. You understand that items transmitted for deposit using the Service are not subject to the funds availability requirements of the Federal Reserve Board Regulation CC, *Availability of Funds and Collection of Checks*. However, funds deposited through the Service will generally be available in accordance with our Funds Availability Policy Disclosure found on the Disclosure page of our website (www.copoco.org) under Funds Availability, Reg CC Disclosure. Generally, checks received by us before 4:00 p.m. Eastern Time on a business day using Mobile Deposit Capture will ordinarily be credited to your account with funds being available for withdrawal within 24 - 48 hours of receipt by us. Checks deposited after 4:00 p.m. on a business day or on a Saturday, Sunday or Credit Union observed holiday will be processed by us on the next business day we are open for business, with funds being available for withdrawal within 24 - 48 hours of the time of processing.

Returned Deposits. Any credit to your deposit account for deposits made through the Service is provisional. If any original checks deposited as images through the Service are dishonored, rejected, or otherwise returned unpaid by the drawee financial institution, or are rejected or returned by a clearing agent or collecting bank, for any reason, you agree 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 will reimburse us for all losses, costs, damages or expenses caused by or relating to the processing of the returned item. You agree that you will not attempt to deposit, redeposit, or otherwise negotiate an original check if the deposit made using the image of such check through the Service has been charged back to you.

You understand and agree we may debit any of your accounts with us 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.

Technical Problems; Interruption of Service; Technical Qualifications. You may experience technical or other difficulties while using the Service. Although we strive to ensure this does not happen, we cannot and do not assume any responsibility for technical or other difficulties or any resulting damages that may occur. You understand that the Service may be temporarily unavailable from time to time because of system maintenance, or technical difficulties, including those of any internet service provider, cellular service provider, and internet software provider.

We shall not be responsible for any damages or loss of any kind from the use of the Service or the inability of any party to use the Service, or in connection with any failure of performance, security lock-out, error, omission, interruption, defect, delay in operation or transmission, computer virus, line, or system failure.

The Service is subject to technical qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. Additionally, we reserve the right to change, suspend or discontinue the Service, in whole or in part, or to suspend or discontinue your ability to use the Service, in whole or in part, immediately and without prior notice to you. You understand and agree that in the event that the Service is unavailable, that you may deposit original checks at Credit Union locations or through the use of Automated Teller Machines (ATMs).

Errors. You agree to carefully review each account statement that you receive from us, and to promptly notify us (in any event no later than 30 days after the date of the applicable statement) if you believe that there has been an error regarding any check or item deposited using the Service. Unless you provide us with a notice of error within such 30-day period, each account statement shall be deemed to a correct statement of your account.

Security of Original Checks. You will notify us immediately if you learn of any loss or theft of any original check after such check has been mobile deposited through the Service. You agree that it is your responsibility to ensure the safety and integrity of any original checks you have mobile deposited through the Service from the time of transmission until the time of destruction of such checks as required by this Agreement.

Misdirected or Intercepted Transmissions. The nature of electronic communications is such that anyone who has access to your Mobile Device may be able to read or otherwise intercept information that is communicated to you using your Mobile

Device. In addition, third parties may intercept your messages, or may “hack” your Mobile Device. By using the Service you accept the risk that your electronic communications may be misdirected or intercepted by third parties when you use the Service, and you agree that we shall have no liability to you or others for any such intercepted or misdirected communications.

Waiver; Enforceability. We may, at our discretion, waive enforcement of any term, condition, or provision of this Agreement. You understand that any waiver by us of any breach of this Agreement by you shall not constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect our rights with respect to any other transaction or modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed by a court of competent jurisdiction to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected, and the remaining provisions of this Agreement shall continue to be valid and enforceable to the fullest extent permitted by law.

Indemnification. You agree to indemnify and hold harmless the Credit Union and each of our directors, officers, employees, agents, successors and assigns from and against any and all liability, loss and/or damage of any kind (including attorneys’ fees and other costs incurred in connection therewith) that may be incurred by or asserted against any such party or parties in any way relating to or arising out of your breach of any representation, warranty or covenant contained in this Agreement, and/or use of the Service. This indemnification is limited to the extent that such liability, loss or damage is proximately caused by the gross negligence or willful misconduct of any such party or parties.

Termination. You understand that either you or the Credit Union may terminate this Agreement and the Service at any time and without notice.

Ownership & License. You agree that the Credit Union retains all ownership and proprietary rights in the Service, and in any associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your compliance with this Agreement, and you understand and agree that any breach of this Agreement immediately terminates your right to use the Service. You agree that you shall not use the Service in any way that causes financial or economic harm to the Credit Union. You may not copy, reproduce, distribute or otherwise create derivative works from the content of the Mobile App or any aspect of the Service, and you agree not to “reverse engineer” or “reverse compile” any of the technology used to provide the Service.

Financial Information. You agree to inform us immediately of any material change in your financial circumstances or in any information provided in connection with your application for the Service. You agree to provide any financial information we may reasonably request during the term of this Agreement, and you authorize us to review your transaction, account, and financial history from time to time, to the extent permitted by applicable law.

Disclaimer of Warranties. YOU AGREE THAT YOUR USE OF THE SERVICE AND ALL INFORMATION AND/OR 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 THE SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT (a) THE SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (b) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND/OR (c) ANY ERRORS IN THE 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 DEPOSIT CAPTURE SERVICE OR OTHER REMOTE 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.

Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.