

MOBILE DEPOSIT TERMS AND CONDITIONS

In this Disclosure and Agreement, the words “you,” “your,” and “yours” refer to the member that applied for and/or uses any of the Mobile Deposit services (the “services”) described in these Terms and Conditions. The words “we,” “us,” and “our” refer to TLC Community Credit Union. The application for use of Mobile Deposit, our notification of approval of your application, and the TLC Community Credit Union Account Disclosures and Other Information are hereby incorporated into and made a part of these Terms and Conditions. In the event of a discrepancy between these Terms and Conditions and the application, our approval, or the Account Disclosures, these Terms and Conditions will control.

Use of Mobile Deposit.

You are authorized by the credit union to remotely deposit paper checks you receive to your account with us (the “Account”) by electronically transmitting a digital image of the paper checks to us for deposit. Your use of Mobile Deposit constitutes your acceptance of these Terms and Conditions. Upon receipt of the digital image, we will review the image for acceptability. You understand and agree that receipt of an image does not occur until after we notify you of receipt of the image via onscreen messaging and/or email notification. 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. Following receipt of the image, we may process the image by preparing a “substitute check” or clearing the item as an image. 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. You understand that any amount credited to your Account for items deposited using Mobile Deposit is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check. In addition you agree that you will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.

Compliance with Law.

You agree to use Mobile Deposit for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of your business if applicable. 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 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 will survive termination of your Account and these Terms and Conditions.

Check Requirements.

Any image of a check that you transmit to us must accurately and legibly provide all the information on the front and back of the check at the time presented to you by the drawer. Prior to capturing the

original check, you will endorse the back of the original check. Your endorsement will include "For Mobile Deposit Only" Member Name, and Member Number. The image of the check transmitted to us must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) 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 for the check will meet the standards for image quality established by the American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

Rejection of Deposit.

We are not liable for any 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.

Items Returned Unpaid.

With respect to any item that you transmit to us for remote deposit that we credit to your Account, in the event such item is dishonored, you authorize us to debit the amount of such item from your Account.

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 receipt of remote deposit items.

Unavailability of Services.

You understand and agree that Mobile Deposit may at times be temporarily unavailable due to credit union system maintenance or technical difficulties, including those of the Internet service provider, cellular service provider, and Internet software. In the event that Mobile Deposit is unavailable, you acknowledge that you can deposit an original check at our branches or through our ATMs, or by mailing the original check to us at P.O. Box 927 Adrian MI 49221. It is your sole responsibility to verify that items deposited using Mobile Deposit have been received and accepted for deposit by us. However, we will email notification of items that are rejected by the next business day following rejection.

Funds Availability.

You understand and agree that, for purposes of deposits made using Mobile Deposit, the place of deposit is Adrian, MI. With regard to the availability of deposits made using Mobile Deposit, such funds will be available as set forth below: Up to \$500.00 of your deposit(s) will be available immediately, the rest will be available in 3 to 4 business days. We reserve the right to hold funds if the situation warrants this action.

Accountholder's Warranties.

You make the following warranties and representations with respect to each image of an original check you transmit to us utilizing Mobile Deposit:

- 1) 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.
- 2) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- 3) You will not deposit or otherwise endorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
- 4) Other than the digital image of an original check that you remotely deposit through Mobile Deposit, there are no other duplicate images of the original check.
- 5) You have instituted procedures to ensure that 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.
- 6) You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- 7) The information you provided in your Application remains true and correct and, in the event any such information changes, you will immediately notify us of the change.
- 8) You have not knowingly failed to communicate any material information to us.
- 9) You have possession of each original check deposited using Mobile Deposit and no party will submit the original check for payment.
- 10) 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.

Storage of Original Checks.

You must securely store each original check for 60 days. After such period expires, you will destroy the original check. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks.

Securing Images on Mobile Devices.

When using Mobile Deposit, you understand that check images captured using your mobile device are stored on the device only until the associated deposit has been successfully submitted. You agree to promptly complete each deposit. In the event that you are unable to promptly complete your deposit, you agree to ensure that your mobile device remains securely in your possession until the deposit has been completed, or to delete the associated images from the application.

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 Mobile Deposit and/or breach of these Terms and Conditions. You understand and agree that this paragraph shall survive the termination of this agreement.

In Case of Errors.

In the event that you believe there has been an error with respect to any original check or image thereof transmitted to us for deposit, or a breach of this agreement, you will immediately contact us regarding such error or breach as set forth below: Telephone: 517-263-9120 Email: requests@tlccu.org

Limitation of Liability.

You understand and agree that we are not responsible for any indirect, consequential, punitive, or special damages or damages attributable to your breach of these Terms and Conditions.

Charges for Use of Mobile Deposit.

We may charge a fee of up to \$1.00 per deposited item.

Warranties.

YOU UNDERSTAND THAT TLC COMMUNITY CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TLC COMMUNITY CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY, OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR TLC COMMUNITY CREDIT UNION'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.

Change in Terms.

We may amend, modify, add to, or delete from these Terms and Conditions from time to time. Your use of Mobile Deposit after receipt of notification of any change by us constitutes your acceptance of the change.

Termination of Mobile Deposit.

You may, by written request, terminate Mobile Deposit services provided for in these Terms and Conditions. We may terminate your use of Mobile Deposit at any time without notice. In the event of termination of Mobile Deposit, you will remain liable for all transactions performed on your Account.

Relationship to Other Disclosures.

The information in these Terms and Conditions applies only to Mobile Deposit described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

Governing Law.

You understand and agree that these Terms and Conditions, and all questions relating to their validity, interpretation, performance, and enforcement, shall be governed by and construed in accordance with the internal laws of the state of Michigan, 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 Michigan.

Periodic Statement.

Any remote deposits made through Mobile Deposit will be reflected on your monthly account statement. You understand and agree that you are required to notify us of any error relating to images transmitted using Mobile Deposit by no later than 60 days after you receive 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.

Limitations on Frequency and Dollar Amount.

You understand and agree that you cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth by us.

Unacceptable Deposits.

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

- 1) Any item drawn on your account or your affiliate's account.
- 2) Any item that is stamped with a "non-negotiable" watermark.
- 3) Any item that contains evidence of alteration to the information on the check.
- 4) Any item issued by a financial institution in a foreign country.
- 5) Any item that is incomplete.
- 6) Any item that is "stale dated" or "post dated."
- 7) Savings Bonds

Waiver.

The failure of either party 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 the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.

Relationship.

These Terms and Conditions do not create, and shall not be construed to create, any joint venture or partnership between the parties. No officer, employee, agent, servant, or independent contractor of

either party shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.