

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT



This disclosure is being provided in addition to your Summit Federal Credit Union Membership and Account Agreement (the "Membership Agreement") and Electronic Funds Transfer Agreement and Disclosure ("EFT Agreement"). In this Disclosure and Agreement, the words "you," "your", "member" and "Accontholder" mean the member that applied for and/or uses any of the Mobile Check Deposit Services ("Mobile Check Deposit", "Service") described in this Disclosure and Agreement. The words "we", "us", "ours" and "the Credit Union" mean The Summit Federal Credit Union.

Your use of the Mobile Check Deposit Services shall be governed by this Disclosure and Agreement, along with the Membership Agreement, the EFT Agreement and applicable law. In the event of a discrepancy between this Disclosure and Agreement, the Membership Agreement, or the EFT Agreement, this Disclosure and Agreement will supersede all other information, documents, disclosures, agreements, and addendum. You understand that your use of the Mobile Check Deposit Services constitutes your acceptance of the terms and conditions of this Disclosure and Agreement, and that our approval of your use of Mobile Check Deposit must occur before you can use the Service. You agree to comply with the hardware and software requirements of the Service set forth by the Credit Union and our service providers.

USE OF THE SERVICE

Upon acceptance of this Disclosure and Agreement and our approval, you will be authorized by us to remotely deposit a valid paper check ("check," "item") that has been made payable to you, or to a joint owner on your Summit Federal Credit Union account ("Account"), or to the Credit Union, to your Account by using Mobile Check Deposit to electronically transmit a digital image of the check ("image," "item") to us. Upon receipt of an image, you will receive a confirmation of receipt. This confirmation does not verify that the image/item is acceptable for deposit. It only confirms that the image has been sent and verifies the item amount. You may be asked for additional images of the check or for more information before the image will be considered for deposit.

Following receipt of the image, we may process the image by 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 deposit into your Account. You understand that any amount credited to your Account for any item deposited using the Service will be considered provisional until such time that we receive payment for the item from the financial institution on which the item was drawn.

You understand that we are not responsible for errors in images that may prevent or delay the deposit of funds into your Account, and that we are not responsible for any image that we do not receive.

You agree that you will not:

- Modify, change or alter any item or image;

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

- Modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or de-compile the technology or the Service;
- Copy or reproduce all or any part of the technology or the Service; or
- Interfere, or attempt to interfere, with the technology or the Service.

ELIGIBILITY REQUIREMENTS

You are eligible for the Service if:

- You have a smart phone or tablet with an approved app.
- Your Courtesy Pay and/or Mobile Check Deposit privileges have not been revoked.
- You have a combined share account balance greater than negative \$500.
- You are not past 30 days delinquent on any Credit Union loan or obligation.

LIMITATIONS ON DEPOSIT FREQUENCY AND DOLLAR AMOUNT

You understand and agree that there are limitations on deposit frequency and dollar amounts of remote deposits made through Mobile Check Deposit, that you will not exceed these limits, and that we may change these limits from time to time without notice. For Primary Members eighteen years of age or older, the maximum daily deposit limit is \$10,000 and the maximum cumulative deposit limit is \$20,000 in a rolling 30 day period. For Primary Members less than 18 years of age the maximum daily deposit limit is \$500 and the maximum cumulative deposit limit is \$10,000 in a rolling 30 day period.

BUSINESS DAY AND FUNDS AVAILABILITY DISCLOSURE

You understand and agree that, for purposes of deposits made using the Service:

- Accounts opened 60 days or greater: On a daily basis, \$300 of your deposits made that day shall be immediately available for withdrawal from your Account subject to the terms of this Disclosure and Agreement. The earliest that funds in excess of \$300 a day via the Service, will be available for withdrawal or to pay checks that you have written would be the fourth business day after the business day on which the deposit is received.
- Accounts opened for less than 60 days or for Primary Members under 18 years of age: No funds are immediately available. Funds will be available the fourth business day after the business day on which the deposit is received.
- For determining the availability of a deposit, every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit via this Service on a business day during business hours, we will consider that day to be the day of your deposit. However, if you make a deposit via this Service on a day that is not a business day or after our business hours, we will consider that the deposit was made on the next business day that we are open.

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

- Check holds or unavailability of the Service may cause further delays in availability of funds beyond that time. Checks deposited via the Service do not fall under the regulatory provisions of Regulation CC - Expedited Funds Availability Act. As such, longer hold periods may apply to these deposited items.

LONGER DELAYS MAY APPLY

You understand that funds deposited via the Service, while generally available by the fourth business day after we receive them, may be delayed for a longer period under the following circumstances:

- We believe a check you have deposited will not be paid.
- You deposit checks totaling more than \$5,000 on any one day via Mobile Check Deposit, a branch, an ATM, or a combination thereof.
- You re-deposit a check that has been returned unpaid.
- Your Account has been overdrawn repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

You understand that funds availability may be delayed, that we will notify you if we delay your ability to withdraw funds for any of these reasons, and that we will tell you when the funds will be available.

COMPLIANCE WITH LAW

You agree to use our products and the Service 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 valid items that are acceptable to us for deposit, and that all original checks and items have been handled in accordance with applicable laws, rules and regulations. You promise to indemnify and hold The Summit Federal Credit Union harmless from any damages, liabilities, costs, expenses (including reasonable attorneys' fees) or other harm arising out of any violation thereof, or that arise due to our acceptance of any item you submit for deposit. This indemnity will survive the termination of your Account and this Agreement.

ENDORSEMENT REQUIREMENTS

You understand that we require you to endorse the back of the check with your signature and the verbiage "For Mobile Deposit Only" or "For Mobile Check Deposit" and you agree to do so for each item you transmit using the Service. You further understand and agree that your failure to meet our endorsement requirements is a violation of this Disclosure and Agreement and could result in your obligation to indemnify us as outlined in this Disclosure and Agreement. Your indemnification obligation specifically includes, but is not limited to, situations where you fail to meet our endorsement requirements or breach your warranties to us by failing to prevent an original check from being re-submitted or represented for payment. For example, your failure to include "For Mobile Deposit Only" on an item could result in our obligation to reimburse or indemnify another financial institution, entity, or person if the original check is

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

deposited and returned unpaid and you agree to indemnify us as explained in this Disclosure and Agreement.

CHECK AND CHECK IMAGE REQUIREMENTS

Any image of a check that you transmit to use must accurately and legibly provide all the information on the front and back of the check. Prior to capturing the image of the original check, you must endorse the back of the check. Your endorsement must include the verbiage "For Mobile Check Deposit".

A check and any image of a check transmitted via the Service must include the accurate and legible presentation of the following and other features as appropriate:

- Pre-printed information that identifies the check payer and the financial institution on which the original check is drawn;
- The encoded account number and financial institution routing and transit number;
- The date the check was written;
- The payer's signature(s); and
- Other information placed on the check prior to the time an image of the check is captured, such as any endorsements applied to the back of the check.
- The image quality of the check will meet the standards as required by the Credit Union.

UNACCEPTABLE DEPOSITS

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

- Any item not drawn on a credit union, savings and loan, financial institution not located in the United States.
- Any item drawn on your Account.
- Any item made payable to "cash".
- Any item payable to a member and another party who is not a joint owner on the Account.
- Any third party checks (checks made payable to any person or entity other than a member).
- Any item that is stamped "non-negotiable", "void," or any other word or phrase indicating that the item is not valid.
- Any item that appears to contain altered information.
- Any item issued by a financial institution in a foreign country, or is written for an amount in non U.S. currency.
- Any traveler's checks.
- Any item that is incomplete or contains incomplete information.
- Any item that is "post-dated" or "stale-dated" per our current guidelines.
- Any item that has been previously negotiated or deposited into any account.

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

REJECTION OF DEPOSIT

You understand that you are solely responsible for any service charges, overdraft charges, late fees, and returned check/non-sufficient funds charges levied against you, your Account, or any accounts you may have at other financial institutions that may result from our rejection of any item, check holds, or deposit delays of any kind.

DEPOSITED ITEMS RETURNED UNPAID

In the event that an item that you transmit to us for remote deposit for credit to your Account is dishonored, rejected, or returned for any reason, you authorize us to debit the amount of the item from your Account, or offset the amount from any of your other accounts, and assess appropriate fees per your Membership Agreement and The Summit Federal Credit Union Rate and Fee Schedule. You understand that returned deposit activity may result in the cancellation of your Mobile Check Deposit privileges. You will be notified of any returned items.

FEES

There are no monthly fees charged for the Service and no per item deposit fee for use of the Service. For any fees associated with your Account see The Summit Federal Credit Union Rate and Fee Schedule.

CHANGES TO CONTACT INFORMATION

You agree to notify us immediately of any changes to your contact information, including your email address, residential and/ or mailing address, and telephone number(s), so that all your records at The Summit Federal Credit Union can be updated accordingly. You authorize us to send information and inquiries to the email address we have on file for your Account.

SERVICE UNAVAILABILITY

You understand and agree that the Service may, at times, be temporarily unavailable due to system maintenance or technical difficulties that are within or beyond our control, including but not limited to those of the Internet service provider, cellular service provider, internet software. In the event that the Service is unavailable, you understand that you can deposit an original check at our branch or through our ATMs. It is your sole responsibility to verify that items deposited using the Service have been received and accepted for deposit by us.

ACCOUNTHOLDER'S WARRANTIES

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

- 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 alterations.
- The amount, payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- 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,

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

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.

- Other than the digital image of an original check that you remotely deposit through the Service, there are no other duplicate images of the original check.
- The information you provided to use the Service remains true and correct and, in the event any such information changes, you will immediately notify us of the change.
- You have not knowingly failed to communicate any material information to us.
- You have possession of each original check you have deposited using the Service and no party will re-submit any original check for payment that has already been submitted to us or to another financial institution.
- 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 that you deposit using the Service for a period of thirty (30) days after transmission to us. You shall mark any original check submitted via Mobile Check Deposit which the Credit Union has accepted as "For Mobile Deposit" next to the signature endorsement. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks.

ACCOUNTHOLDER'S INDEMNIFICATION OBLIGATION

You understand and agree that you 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 Service and/or breach of this Disclosure and Agreement. You understand and agree that this indemnification 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 transmitted to us for deposit or a breach of this Agreement, you will immediately contact us regarding such error. Please refer to your EFT Agreement for information on error reporting and resolutions.

PERIODIC STATEMENT AND ERROR RESOLUTION

Any remote deposits made through the Service 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 the Service as reflected on your account statement. Please refer to your EFT Agreement for error reporting and resolution.

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 this Disclosure and Agreement.

MOBILE CHECK DEPOSIT DISCLOSURE & AGREEMENT

WARRANTIES

YOU UNDERSTAND THAT THE SUMMIT FEDERAL 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. THE SUMMIT FEDERAL 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 THE 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, delete from, or change the information or terms for the Service indicated in this Disclosure and Agreement from time to time without notice to you, and you agree to accept these changes to information and terms.

TERMINATION OF THE SERVICES

You may terminate the Service provided for in this Disclosure and Agreement by contacting us in writing at 100 Marina Drive, Rochester, New York 14626, Attention: Electronic Services Department. We may terminate your use of the Service at any time without notice. In the event of termination of the Service, you will remain liable for all transactions performed on your Account.

RELATIONSHIP TO OTHER DISCLOSURES

The information in this Disclosure and Agreement applies only to the Services described herein, Provisions in other disclosure documents, as may be revised from time to time, remain effective for all aspects of your Account.

GOVERNING LAW

You understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with federal law and the laws of the State of New York, 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 the State of New York.