

Okaloosa County Teachers Federal Credit Union

REMOTE DEPOSITS DISCLOSURE AND AGREEMENT

In this Remote Deposits Disclosure and Agreement ("Agreement") the words "you," "your" or "user," mean the member that accesses Okaloosa County Teachers FCU Touch Banking App and/or uses the Remote Deposits Service described in this Agreement. The words "OCTFCU," "us," and "we" mean Okaloosa County Teachers Federal Credit Union. The Okaloosa County Teachers Federal Credit Union Account Terms and Conditions are hereby incorporated into and made a part of this Remote Deposits Disclosure and Agreement. In the event of a discrepancy between this Agreement and other Agreements with OCTFCU, this Agreement will control.

1. Use of the Services. This Service is designed to allow you to remotely deposit paper checks to your checking accounts using the Remote Deposits function in the OCT FCU Touch Banking App. Your use of the Service constitutes your acceptance of the terms and conditions of this Agreement. You understand that you are liable for any checks that you or your authorized user deposits via Remote Deposit. You understand and agree that receipt of an image does not occur until you are notified of receipt of the image via onscreen messaging and/or email notification. We are not responsible for any image that we do not receive. We reserve the right, within our sole and absolute discretion, to accept or reject any item for Remote Deposit into your Account. 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.

2. Authorized User. If you give your account number and Online Banking password to an authorized user, they are equally responsible for adhering to all terms disclosed in this Agreement. You assume all liability from actions of an authorized user pertaining to use of this Service.

3. Security Requirements. To prevent unauthorized access to this Service, you agree to ensure the security of your mobile device or tablet. By securing these devices, you may establish a screen lock, install antivirus software, and select a strong password to access OCTFCU Touch Banking Phone app.

4. Change in Terms. This Agreement is subject to change from time to time. We will notify you of any material change via email or on our Website by providing a link to the revised Agreement. Further, OCTFCU reserves the right, in its sole discretion, to change, modify, add, or remove terms or conditions of this Service. Your continued use of the Service will indicate your acceptance of any such change in terms.

5. Compliance with Law. You agree to use the products and Services 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 endorsed and submitted the original items in accordance with applicable laws, rules and regulations. You promise to indemnify and hold OCTFCU 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 this Agreement.

6. Endorsement Requirements. Prior to taking a picture of your check for deposit you agree to endorse the back of the original check with the following information:

1. Your signature
2. Write "For electronic deposit only"
3. The current date
4. Your OCTFCU Account # and share suffix, (Checking 75 or 76)

7. Unacceptable Deposits. You agree you will not use this service to deposit ineligible items including the following:

1. Any item drawn on your OCTFCU account
2. Any 3rd party check (a check payable to anyone other than you)
3. Any item that is stamped with a "non-negotiable" watermark
4. Any item that contains evidence of alteration to the information on the check
5. Any item issued by a financial institution in a foreign country or not payable in US dollars
6. Any item that is incomplete (lacking a date, amount or signature)
7. Any item that is "stale dated" (more than 6 months old) or "post-dated" (dated in the future)
8. Savings Bonds, Money Orders or Travelers Checks
9. Substitute Checks (a digital reproduction of the front and back of an original check)
10. Checks previously deposited
11. Checks purported to be lottery or prize winning
12. IRA and share certificate deposits
13. Starter or counter checks
14. State-issued registered warrants
15. Checks on closed accounts at another financial institution

8. Limitations on Frequency and Dollar Amount. The total amount of checks you may deposit using Remote Deposit in one business day may not exceed \$5,000. The maximum individual check limit for a single deposit is \$5,000. We reserve the right to modify daily and check limits on deposits that you transmit using the Service.

9. Deadline. A check must be transmitted, received and approved by 2:30 PM CST on a regular business day (excludes weekends and holidays) for the deposit to be credited that day.

10. Method of Presentment. The manner in which the items are cleared, presented for payment, and collected, shall be in OCTFCU's sole discretion subject to the "Membership Booklet" agreement and disclosure governing your account.

11. Image Quality. Any image of a check must accurately and legibly provide all the information on the front and 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.

12. Rejection of Deposit. We reserve the right to reject any item transmitted through the Service, at our discretion. We are not liable for any service or late charges levied against you due to the rejection of any item. You are responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

13. Items Returned Unpaid. A notice will be sent to you in the event deposited items are returned "unpaid". With respect to any item that you transmit for Remote Deposit that is credited to your Account, in the event such item is dishonored, you authorize OCTFCU to debit the amount of such item from your Account. You will be assessed a fee as disclosed on OCTFCU Service Fee for a Returned Deposited Item.

14. Funds Availability. You agree that items transmitted using the Service are not subject to the funds availability requirements of the Federal Reserve Board Regulation CC. Provisional credit will be given for the item until collection of funds for the item is final. Generally, the first \$200 from the check deposited will be available on the first business day after the day of deposit and any additional funds will not be available until at least the second business day after the day the deposit is accepted. Seven business day holds will be applied to checks received for deposit into accounts that are less than 30 days old. Funds you deposit may be delayed for a longer period of time under the following circumstances:

1. We have reasonable cause to believe the check may be uncollectable.
2. You deposit checks totaling more than \$5,000 on any one day.
3. You re-deposit a check that has been returned unpaid.
4. You have overdrawn your account repeatedly in the last three months.
5. There is an emergency, such as failure of communications or computer equipment. We have reasonable cause to believe the check may be uncollectable.

We will notify you if we delay your ability to withdraw funds. OCTFCU, in its sole discretion, may modify funds availability for Remote Deposit as it deems relevant.

15. Storage of Original Checks. Upon receipt of a confirmation from OCTFCU that we have received the image of an item, you agree to prominently mark the item as "Electronically Presented" or "VOID" and to properly dispose of the item to ensure that it is not re-presented for payment. You agree to retain checks, or a sufficient copy of the front and back of the items, for a period of at least 90 days and agree to promptly provide these to OCTFCU if requested in order to aid in the clearing and collection process, resolve claims by third parties with respect to any item, or support OCTFCU audits.

16. Email Address. You agree to notify us immediately if you change your email address, as this is the email address where you will receive notification of receipt of Remote Deposit items, items returned unpaid, and other important notices.

17. Periodic Statement. Any Remote Deposits made through the Service will be reflected on your monthly account statement. You are required to notify OCTFCU of any error relating to images transmitted using the Service by no later than 60 days after you receive the monthly periodic statement that includes any transaction alleged as erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

18. In Case of Errors. You agree to immediately notify OCTFCU of any suspected errors regarding items deposited 1-850-682-2225 during regular business hours 8:30am - 5:00pm CST Monday-Friday. You may also notify OCTFCU through email at <http://www.OkaloosaFCU.org>.

19. Charges for Use of the Services. While there are currently no fees related to the use of the Service, OCTFCU, in its sole discretion, retains the right to administer a fee schedule in the future.

20. Unavailability of Services. When using the Services, you may experience technical or other difficulties. We do not assume liability for any technical difficulties or any resulting damages that you may incur. In the event this service is not available to you, you acknowledge that you can deposit an original check at an OCTFCU or by mailing it to Okaloosa County Teachers Federal Credit Union 1126 N. Ferdon Blvd., Crestview, FL 32536.

21. Accountholder's Warranties. You agree to deposit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"). You agree that the image of the check transmitted to OCTFCU shall be deemed an "item" with the meaning of Article 4 of the Uniform Commercial Code as adopted in Florida. You agree that you will use the Service to electronically transmit checks as described below:

1. Each image of a check transmitted 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 that has already been paid.
4. Other than the digital image of an original check that you remotely deposit through our Service, 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 provided on your Account 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 the Service and no party will submit the original check for payment.
10. Files and images transmitted to OCTFCU will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

22. Accountholder's Indemnification Obligation. You understand and agree to indemnify OCTFCU and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from use of the Service and/or breach of this Agreement. You agree to ensure your remote device remains securely within your possession until the deposit has been completed or deleted. OCTFCU is not responsible for any deposit information left on your mobile device and/or not transmitted or deleted from your mobile device. You understand and agree that this paragraph shall survive the termination of this Agreement.

23. Controls and Audit. You understand and agree to adhere to the Accountholder's Warranties as described in this Agreement. Furthermore, you agree to comply with any audit requirements for this service as established by OCTFCU.

24. Limitation of Liability. OCTFCU's liability for errors or omissions with respect to the data transmitted will be limited to correcting the errors or omissions. You understand and agree that OCTFCU will not be responsible for any direct, indirect, incidental, special, consequential, punitive, or exemplary damages involving the use or lack of availability of this Service by or to you or any third party.

25. Warranties. You understand that OCTFCU does not make any warranties on equipment, hardware, software, cell phone or Internet service provider, or any part of them, expressed or implied, including, without limitation, any warranties of merchantability or fitness for a particular purpose and non-infringement. OCTFCU is not responsible for any loss, injury or damages, whether direct, indirect, special or consequential, caused by the cell phone or Internet provider, any related software, including that of third parties or OCTFCU's use of any of them or arising in any way from the installation, use, or maintenance of your personal electronic device, software, or other equipment.

26. Termination of the Service or Inactive Service. You may terminate the Service provided for in this Agreement at any time by emailed request. In the event of termination of the Service, you will remain liable for all transactions (completed or pending) on your Account. We reserve the right to suspend, or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you. OCTFCU retains the

right, at its sole discretion, to terminate this service based on 12 consecutive months of no activity.

27. **Relationship to Other Disclosures.** The information in this disclosure applies only to the Service described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of your Account.

28. **Governing Law.** You understand and agree that this Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of Florida, 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 Florida.

29. **Confidentiality.** You acknowledge and agree that confidential data relating to our Services, marketing, strategies, business operations and business systems (collectively, "Confidential Information") may come into your possession in connection with this Agreement. You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of our Confidential Information.

30. **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.

31. **Relationship.** This Agreement does 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.