



Remote Deposit Terms and Conditions

Introduction:

This Mobile Banking and Remote Deposit Capture (“RDC”) Terms and Conditions Agreement (the “Agreement”) include certain provisions governing your use of the First Class Community Credit Union RDC Service (the “Service”). In this Agreement, the terms “we,” “us,” “our” and the “credit union” refer to First Class Community Credit Union, which also may be referred to as “FCCCU”. The terms “you”, “your”, and “Owner” refer to the Member/Primary Owner, Joint Owner/Co-Borrower(s), or Entity/Entities identified in the Membership Personal Account Card for the Account(s) that we approve for your use in connection with the Service.

Purpose:

The Service enables you to make deposits to your eligible share or share draft electronically, from a compatible mobile device and delivering the images and associated deposit information to the credit union or our designated processor. We will then process the items in your deposits and send them for collection using such methods and collection agents as we may choose in our sole discretion.

Fees:

There is currently no charge for the Service. We will give you notice should we decide to institute a charge in the future. Such notice may be provided electronically or in writing at our discretion.

NOTE: Your share and loan accounts with First Class Community Credit Union are still subject to the fees, charges, balance requirements, etc. articulated in the Membership and Account and/or Rate and Fee Schedule and by withdrawal or transfer limitations under Federal Regulation D. Your Account will be assessed fees in accordance with this regulation (see the Rates and Fees Schedule).

Eligibility:

All members in good standing are eligible for this program. If at any time the Service is abused or you become a member in not good standing, the credit union reserves the right to revoke the Service.

Eligible items:

Items eligible for deposit through RDC are checks, money orders, cashier’s checks, official checks, U.S. Treasury Checks, or any other payment instrument drawn on a financial institution within the United States in U.S. Currency. Items properly made payable in accordance with all

applicable requirements of law, including UCC Articles 3 and 4 as adopted in Iowa. Items that are **not** eligible for deposit through RDC are as follows:

- Third party check items (double endorsement check items); checks payable to someone else that has been endorsed over to you.
- Foreign check items
- Savings Bonds
- Checks or items drawn or otherwise issued by you or any other person on any of your accounts or any account on which you are an authorized signer or joint account holder.
- Checks or items containing obvious alteration to any of the fields on the front of the check or item, 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 or item is drawn.
- Checks or items previously converted to a substitute check, as defined in Reg CC.
- Checks or items that are remotely created checks, as defined in Reg CC.
- Checks or items dated more than 6 months prior to the date of deposit.
- Checks or items prohibited by your credit union's current procedures relating to the Services or which are otherwise not acceptable under the terms of your credit union account.

Image Quality:

You are solely responsible for transmitting to us only images of checks that are fully legible and that accurately represent all pertinent information on the front and back of each check. You must utilize only transmission and image formats that conform to the credit union and recognized industry specifications and quality standards. In the event that you transmit an image of an item that we cannot further process due to the poor quality of the image, we will not be responsible or liable to you or any other person or entity for any delay in the processing or presentment of the item.

Endorsements and Procedures:

You agree to restrictively endorse any item transmitted through Services as "**For Mobile Deposit FCCCU Only**" or as otherwise instructed by your credit union. You agree to follow all other procedures and instructions for use of the Services as your credit union may establish from time to time.

Receipt of Items:

We reserve the right to reject any item transmitted through the Services, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from your credit union that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.

Deposit Limits:

Per deposit item limit for use of this Service is \$2,000.00 and Deposit limits for use of this Service is \$5,000.00 daily combined amount. We may establish and change these amounts from time-to-time and/or we may place certain restrictions on your use of the Service.

Daily Deposit Deadlines:

Our current cut-off time by which we must receive images from you for processing on the same business day (defined as Monday through Friday, excluding federal holidays) is 2:45p.m. CST. You will receive notice should the cut-off time change, and such notice may be provided electronically or in writing at our discretion. Any deposit received after the deadline will be processed on the following business day.

Availability of Funds:

You agree that items transmitted using the Services are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Your credit union will hold the funds for up to five business days (business days do not include Saturday, Sunday, or federal holidays) from the date of deposit. In some instances, funds may be available sooner than five business days based on such factors as credit worthiness, the length and extent of your relationship with your credit union and its affiliates, transaction and experience history, and such other factors as your credit union, in its sole discretion, deems relevant. Generally, if the funds from your deposit will be available later than the time shown above, your credit union will mail or deliver the notice as soon as practicable, but no later than the first business day following the day the facts become known to the depository bank, or the deposit is made, whichever is later.

Disposal of Transmitted Items:

Upon your receipt of a confirmation from your credit union 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 represented for payment. And, you agree never to represent the item. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to your credit union as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for your credit union's audit purposes.

Hardware and Software:

To use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by your credit union from time to time. See your credit union.com for current hardware and software specifications. Your credit union is not responsible for any third-party software you may need to use the Services. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter directly with the third-party software provider at time of download and installation.

Errors:

You agree to notify your credit union of any suspected errors regarding items deposited through the Services right away, and in no event later than 60 days after the applicable your credit union account statement is sent. Unless you notify your credit union within 60 days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against your credit union for such alleged error.

Governing Laws, etc.:

You agree that you will not use the Service to initiate any deposits which violate any applicable laws, regulations or other legal authorities. You submit to the jurisdiction of, and this Agreement shall be governed by the laws of, the State of Iowa, as well as the federal laws of the United States of America.. The prevailing party in any such action shall be entitled to the recovery of its reasonable attorney's fees, costs, and expenses. You also agree to be bound by all applicable requirements of law relating to check collection processes, including:

- the Uniform Commercial Code ("UCC");
- the Check Clearing for the 21st Century Act (commonly known as "Check 21"), as implemented by amendments to Federal Reserve Board Regulation CC ("Regulation CC");
- all other applicable provisions of Regulation CC; and
- any clearing house agreements, image exchange agreements, operating circulars or other rules or legal authorities to which the credit union a party or by which we are bound as a participant in the collection process.

Further, you acknowledge that our normal policies, procedures and processes relating to the handling of items submitted for deposit to the credit union through various means will apply, except to the extent that in our sole discretion we may modify them in connection with the Service, and you agree to be bound by such policies, procedures and processes including any that may be described in the Membership and Account Agreement governing your Accounts.

Representations and Warranties; Indemnification:

Each time you transmit a deposit using the Service, you represent and warrant to us that (i) you are transmitting only Eligible Items for deposit to Eligible Accounts, and you are adhering to any other limits or restrictions we may have placed on your use of the Service; (ii) the transmission conforms to our specifications and quality standards and any applicable industry standards, and does not contain any viruses; (iii) there are no duplicate deposits or checks, and you have not submitted any check previously transmitted to us through the Service or otherwise, unless the check was unable to be processed or was returned by us to you and the original reason for such processing failure or return has since been corrected, such that resubmission is proper; (iv) you will not, nor will you permit or cause any other person to, cause or attempt to cause payment on an item to be made more than once by depositing the original check or an image thereof with the credit union or any other financial institution or otherwise seeking collection or payment in any manner, at any time either before or after your transmission of such check through the Service; (v) all information submitted is true and accurate, including that each check image accurately represents all pertinent information on the front and back as of the time of transmission; (vi) each check is properly payable to you or an Joint Owner/Co-Borrower account holder and has been properly endorsed; (vii) you make to us all of the transfer and presentment warranties relating to items under the UCC, including that each check has not been altered and that all signatures on it

are authentic and authorized; and (viii) you are complying with this Agreement and all applicable requirements of law.

You agree to indemnify and hold us harmless from any loss or damage we may incur arising out of your breach of any of the foregoing representations and warranties or any other provision of the Agreement, or relating in any way to our acceptance of images of items you transmit to us using the Service; provided; however, that the foregoing indemnification shall not apply to the extent, if any, that a loss or damage is directly caused by our own material breach of the Agreement or by our gross negligence or intentional misconduct.