

Westerly Community Credit Union

Remote Deposit Service Agreement

General: In consideration of the user of the Remote Deposit Service, hereafter known as “Service,” to be provided to Member by Westerly Community Credit Union, as described herein and as amended from time to time in information distributed by Credit Union to its Members, Member agrees to the terms of this Agreement.

The Service is designed to allow the member to make Remote Deposits to their respected checking, savings or money market accounts by using a mobile device with the Credit Union’s downloadable mobile application to capture images of paper checks and transmit the images and related deposit information to us.

Laws, Rules, and Regulation: Member agrees to comply with all existing and future operating procedures set forth, and used, by the Credit Union for processing of transactions. The member agrees that they will not generate transactions that violate the laws of the United States. The member further agrees to comply with all applicable state or federal laws, rules, and regulations affecting the use of checks and transactions, including but not limited to the rules and procedural guidelines established by the Federal Deposit Insurance Act, the Federal Trade Commission (FTC), and the State of Rhode Island and Providence Plantations. These laws, procedures, rules, regulations, and definitions (collectively known as the rules) shall be incorporated herein by reference. In the event of a breach of the terms of this agreement, said rules, as well as additional rules concerning the topic of Remote Deposit, shall be used in, and shall control the interpretation of this Agreement.

Member Eligibility: The member understands that they must be a member of the Westerly Community Credit Union for at least 90 days and be a member in good standing to be eligible to be authorized to use the Service. If a Credit Union official concludes, in their sole discretion, that a member presents a risk that is unacceptable, the Credit Union official reserves the right to decline or terminate said member’s access to the Service.

Terms and Condition for Check Intended to be Deposited with Service: Member agrees to scan and deposit only checks dictated by the conditions below:

- Contains an image of the front and the back of the original check
- Bears a valid MICR line
- Contains a valid endorsement made on the back of the check, details of which are described below in Section 5: Conditions for Acceptable Endorsements
- Item is to be deposited into an account of which the payee is an account owner
- Check has not previously been negotiated in any way
- Item is an original check that has not been altered in anyway

Member agrees not to scan and deposit checks within the conditions below:

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- Checks payable to any person or entity other than the owner(s) of the account into which the check is being deposited
- Checks containing an alteration 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
- Checks of which funds will be drawn from a financial institution located outside the United States
- Checks dated more than six (6) months prior to the date of deposit
- Checks prohibited by our current procedures related to the Service or which are otherwise not acceptable under the Membership Agreement governing said member's Westerly Community Credit Union account
- Checks with any endorsement on the back other than that of which was previously specified in this Agreement;
- Checks that have previously been negotiated, submitted through this Service, or through a remote deposit capture service offered at any other financial institution;
- Travelers checks
- Checks of which have been altered in any way to void, or bring question to, their originality and authenticity

Conditions for Acceptable Endorsements: Member's endorsement must include their signature or state "For Deposit Only". If a check is made payable to member or a joint owner of the member's account, either person can endorse it. If a check is made payable to member and a joint owner of the member's account, both parties must endorse the check. The member understands that they need to scan the front and back of each check, to allow the check to be deposited. The Credit Union reserves the right to amend the Procedures, with or without prior notice to you. The Credit Union is not, and will not be, obligated to detect errors by the member or other parties, even if the Credit Union does take certain actions from time to time to do so. To ensure accuracy, the member must "key-in" the amount of each check prior to transmitting the Remote Deposit. The member may send multiple Remote Deposits to the Credit Union on the same day, however, they are not to exceed the deposit limits as defined below, in Section 6: Deposit Limitations.

Deposit Limitations: Personal memberships must not exceed three (3) separate deposits totaling more than \$3,500 per day and fifteen (15) separate deposits totaling more than \$10,000 per month. Business memberships must not exceed six (6) separate deposits totaling more than \$5,000 per day and thirty (30) separate deposits totaling more than \$20,000 per month. The Credit Union reserves the right to alter these velocities as seen fit. Such alterations are to be determined by the Operations Department of the Credit Union.

Funds Availability: The Credit Union policy is to make the first \$225 of the deposit available to the member immediately, while the remaining funds will become available around two (2) business days after the date of deposit. Even after the Credit Union has made funds available to the member, and even if the

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member has withdrawn the funds, said member is still responsible for checks that are deposited and are returned to the Credit Union unpaid, and for any other problems involving said member's deposit.

Questionable Deposits: We reserve the right to place a hold on the deposited funds of any remotely deposited checks that we believe may be returned to the Credit Union as uncollectable for a total of 60 days against your account. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposits.

Return of Checks and Chargebacks: If a check deposited through the Service is dishonored, rejected, or otherwise returned as unpaid by the drawee bank, or the item is rejected, or returned by a clearing agent or collecting bank for any reason, the member agrees that an original check will not be returned to said member. The Credit Union may charge back the amount of the original check and provide said member with an Image of the original check, a paper reproduction of the original check, or a substitute check. Member will reimburse the Credit Union for all loss, cost, damage, or expense caused by or relating to the processing of the returned item. The member agrees not to deposit or otherwise negotiate an original check after the Credit Union chargeback. The Credit Union may debit any account that the member holds at the Credit Union to obtain payment for an item that has been rejected or returned. The member further agrees that the Credit Union is not liable for any loss, costs, or fees that the member may incur as a result of the chargeback of any item deposited through the Service.

Maintenance and Disposal of Transmitted Checks: The member will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. The member agrees to securely store the original check for a period of sixty (60) calendar days from the date of the Image transmission. During the Retention Period, the member agrees to promptly (no later than 10 calendar days) provide the original check to the Credit Union upon request. Upon expiration of this Retention Period, the member shall securely destroy the original checks transmitted. The member hereby indemnify the Credit Union for, and hold the Credit Union harmless from and against any and all claims, demands, actions, and causes of action, losses and damages, of whatever nature, related to the retention and destruction of original checks by the member.

Receipt of Remote Deposit and Notification: The member agrees that they shall be solely liable for, and the Credit Union shall not have any liability whatsoever to the member for, any Remote Deposit or the Images or other information contained therein that are not received by the Credit Union. Said member also agrees to be liable for Remote Deposits or the Images or other information contained therein that are intercepted or altered by an unauthorized third party or dropped during transmission. Member agrees that the Credit Union does not have an obligation to accept a Remote Deposit and, therefore, the Credit Union reserves the right to reject any Remote Deposit or the Images or other information contained therein transmitted through this Service, at the Credit Union's discretion. Unless required by applicable law, the Credit Union has no obligation to notify the member of the rejection of a Remote Deposit or the Images or other information contained therein and shall have no liability to the member for failing to do so. The member may receive a confirmation email upon receipt of a Remote Deposit. The

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receipt of such confirmation does not mean the transmission was error free, complete, or will be considered a Remote Deposit and credited to the member's account.

Notwithstanding the fact that the Credit Union has accepted a Remote Deposit for processing, any credit made to the member's Account shall be considered provisional until the final settlement of the deposited item. The member shall remain liable to the Credit Union for any errors, inaccuracies, breach of warranties, and any other loss sustained by, or claim made against, the Credit Union.

Equipment/Internet: The member is solely responsible for the equipment they use to access the Service. The Credit Union is not responsible for errors or delays, nor for said member's inability to access the Service as a result of the member's equipment. The Credit Union is not responsible for the cost of upgrading said member's equipment to stay current with the Service, nor is the Credit Union responsible, under any circumstances, for any damage to equipment or the data resident thereon.

The member understands and agrees that use of or connection to the Internet is inherently insecure and that connection to the Internet provides an opportunity for unauthorized access by a third party to the member's mobile phone, networks, and any and all information stored therein.

The member must understand that the technical processing and transmission of the Service, including content, may involve (a) transmission over various networks; and (b) changes to conform and adapt to technical requirements of connecting networks or devices.

The Credit Union shall not be responsible for any adverse consequences whatsoever as a result of the member's connection to or use of the Internet. The Credit Union shall also not be held responsible for any use by said member of an Internet connection to commit an action that is in violation of any law, rule, or regulation, or any violation of the intellectual property rights of another.

Duties and Responsibilities of the Credit Union: The Credit Union's duties and responsibilities are limited to those described in this Agreement, the Membership Agreement, the eBanking Agreement, and any other agreements governing said member's accounts. The Credit Union will use commercially reasonable care in performing our responsibilities under this Agreement.

Notice of Your Rights and Liabilities: Security of your transactions is important to us. Use of the Service requires an eBanking Password, as defined and maintained in our eBanking General Agreement. This Agreement shall reflect the notice of your rights and liabilities as determined in the eBanking General Agreement.

Account Reconciliation: The member agrees to carefully review their account statement and each transaction as soon as possible. If there are any errors or discrepancies regarding checks deposited through the Service including, without limitation, unauthorized transactions, signatures or alterations, the Member agrees to promptly notify the Credit Union of such errors or discrepancies within thirty (30) days

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of the original Remote Deposit transaction. It is the responsibility of the member to establish and maintain procedures to safeguard against unauthorized deposits.

If said member's statement shows Remote Deposits that the member did not make, the Credit Union must be informed immediately. If the member does not tell the Credit Union within sixty (60) days after the first statement containing the problem or error is made available. The member may not get back any money lost after the sixty (60) days if the Credit Union can demonstrate that they could have prevented the unauthorized transaction if the member had informed the Credit Union in a timely fashion.

Unauthorized Access; Security Procedures: The member shall be solely responsible for protecting against unauthorized access to the Service, and any and all losses and damages arising from any unauthorized access to the program. The member shall establish physical security, passwords, and other security procedures necessary to ensure the confidentiality of access features. The member shall make such procedures and security features known only to them. The Credit Union shall have no obligations, liability, or control, either directly or indirectly over said procedures, or the failure of said member to maintain said procedures.

Furthermore, the member agrees to, and understands that, the use of passwords and the Credit Union service instructions is confidential and agrees to assume all risks of accidental disclosure or inadvertent use by any part whatsoever, whether such disclosure of use are on account of the member's negligence or are deliberate acts. Member acknowledges that no person from the Credit Union will ever ask for any passwords, and that the Credit Union employees do not need and should not ask for passwords.

Members using this service shall not change its passwords periodically and whenever anyone who has had access to a password is no longer employed or authorized by it to use the Credit Union service. The Credit Union may require said member to change its passwords at any time. The Credit Union may deny access to the Credit Union service without prior notice if it is unable to confirm (to its satisfaction) any person's authority to access the service, or if the Credit Union believes such action is necessary for security reasons.

Termination: This agreement is effective from the date the member signs this agreement, as well as, is approved for the use of the service. The agreement shall be terminated (i) upon calling (401).596.7000 and requesting the service be terminated, (ii) upon termination of the account relationship between the parties, and (iii) failure of the member to comply with the terms and conditions of this Agreement. The Westerly Community Credit Union reserves the right to terminate the Service, in whole or in part, at any time with or without cause and without prior written notice. If the terms and conditions of this agreement are not violated, the service will not be terminated until the Credit Union has received said member's notice of termination and has had a reasonable time to act upon it. The Credit Union also reserves the right to temporarily suspend the Service in situations deemed appropriate by a Credit Union Official, in their sole and absolute discretion, including when said official believes a breach of system security has occurred or is being attempted.

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Limitation of Liability: If the Service is not available due to malfunction of the system or circumstances beyond the control of the Credit Union, the member agrees to deposit their check(s) through other means such as at a Credit Union branch or at an ATM. Except as otherwise provided in this Agreement or by law, the Credit Union is not responsible for any loss, injury, or damage, whether direct, indirect, special, consequential or exemplary damages, including lost profits, attorney fees, goodwill, use, data, or other intangible losses (even if advised of the possibility thereof) resulting from or in any way arising out of (i) the use or inability to use the Service; (ii) the cost of procurement of substitute goods and services from the Service; (iii) unauthorized access to alteration of member's transmissions or data; (iv) statements or conduct of any third party on the Service; or, (v) any other matter relating to the Service including the installation, operations, or maintenance of member's mobile phone or Service related equipment.

Furthermore, the Credit Union will be deemed to have exercised ordinary care and to have acted reasonably if the Credit Union has acted in accordance with the terms of this Agreement and will be liable for loss sustained by the member only to the extent such loss is caused by the Credit Union's gross negligence or willful misconduct. The Credit Union will not be liable for any consequential, special or punitive damages, regardless of the Credit Union's act or omission.

The Credit Union will have no liability for any loss or damages: (a) related to the dishonesty of the member, member's employees, officers, or agents; (b) resulting from any receiving financial institution's failures to accept transaction; (c) resulting from any delay in the performance of this Agreement, which is caused by an act of God, fire or other casualty, electrical or computer failure, delays or failure to act by any carrier, medium, or agent operating between the Credit union and the member, or between the Credit Union and the third parties or any other condition outside the Credit Union's control. No third party will have the rights or claims against the Credit Union under this Agreement. The terms of this section, in its entirety, shall survive the termination of this agreement.

Amendments: Unless otherwise required by law, the Credit Union, may change a term or condition of this Agreement by positing a notice on their website, sending the member a notice with their periodic statement, sending an electronic communication, or by mailing or delivering to the member a written notice at least thirty (30) days before the effective date of any such change. The Credit Union does not need to provide said member with any prior notice where an immediate change in the terms or conditions of this Agreement is necessary to maintain or restore the security of our system or an account. However, even in these cases, if the change is to be made permanent, the Credit Union will provide the member with a notice of the change with the next regularly scheduled periodic statement sent to the member if practicable, or within thirty (30) days, unless disclosure would jeopardize the security of the Credit Union's systems or an account/accounts. Notices mailed or delivered to the member under this paragraph will be considered effective if mailed to the most recent address the Credit Union has on file in the Account records for the member, or the e-mail address which the member has authorized to receive such notices and/or disclosures. The member's continued use of the Service following receipt of this Agreement or notice of a change is considered acceptance of the Agreement or change.

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Further, much of the Credit Union to Member relationship is regulated by state and federal law, including the Uniform Commercial Code, and regulations of the Federal Reserve System, other regulatory agencies and clearinghouse associations. These laws and regulations, as well as the terms of the Agreement, may change from time to time without notice to the member unless required by law.

Indemnification: The member, in consideration of being allowed access to the Service, agrees to indemnify and hold the Credit Union (including its subsidiaries, parents, affiliates officers and directors) harmless for any and all losses, liabilities, expenses, and damages, including consequential, special and punitive damages, directly or indirectly resulting from the member's use of the Service, to the fullest extent allowed by applicable law.

Credit Union's Proprietary Rights: The member acknowledges and agrees that the Service and any necessary software used in connection with the Service contain proprietary and confidential information that is protected by applicable intellectual property and other laws. The information and materials may not otherwise be copied, displayed, distributed, downloaded, licensed, modified, published, re-posted, reproduced, reused, sold, transmitted, used to create a derivative work or otherwise used for public or commercial purposes, except as provided in these terms and conditions without the express written permission from an official of the Westerly Community Credit Union. Copyrights of the images, text, screens, and web pages appearing in the mobile banking app are property of either the Credit Union, or of a third party when indicated as such.

The member further acknowledge and agree that content contained in sponsor advertisements or information presented to said member through the Service or Third Parties is protected by copyrights, trademarks, service marks, patents, or other proprietary rights and laws. The Credit Union grants the member the right to use the software, as intended. However, use of the software is only permissible if the user understands and agrees that they will not copy, modify, create a derivative work of, reverse engineer, reverse assemble, or otherwise attempt to discover any source code, sell, assign, sublicense, grant a security interest in, or otherwise transfer any right in the Service or software associated with it.

The member further agrees not to modify the software in any manner or form, or to use modified versions of the software associated with the Service, including (without limitation) for the purpose of obtaining unauthorized access to the Service. The member also agrees not to access the Service by any means other than through the interface that is provided by Credit Union for use in accessing the Service.

Waiver of a Jury Trial: The Credit Union and the Member waive, to the fullest extent permitted by applicable law, the right to trial by jury in any legal proceeding arising out of this agreement.

Entire Agreement; Severability: This Agreement, together with all exhibits, schedules, and attachments hereto, the account Agreement, and the rules (as incorporated herein) represent the entire Agreement, and understanding of the parties. If any portion of this Agreement is found to be unenforceable, all remaining portions shall remain in full force and effect. In the event of any inconsistency or conflict between the terms of this Agreement, and any present or future statute, regulation or governmental

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policy to which the Credit Union is subject and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation, or policy, and the Credit Union shall incur no liability to the member as a result of such violation or amendment.

Assignment; sublicense: Member agrees not to assign, transfer, or dispose of its rights and obligations under this Agreement, and not to further sublicense, assign, or transfer the program, except as expressly stated within this agreement.

Governing Law: This Agreement is governed by the laws of the State of Rhode Island (except to the extent federal law governs the copyright and trademarks within) and the rules.

Exclusion of Warranties: You, as a member of the Westerly Community Credit Union, expressly understand and agree to the above stated sections of this service agreement. You further understand and agree that:

1. Your use of this mobile service is at your sole risk. The service is provided on an “As Is” and “As Available” basis.
2. You understand that the Credit Union expressly disclaims all warranties of any kind, whether express or implied, including but not limited to the implied warranties of merchantability, fitness for a particular purpose, and non-infringement.
3. You understand that the Credit Union makes no warranty that the (i) service will meet your requirements, (ii) the service will be uninterrupted, timely, secure, or error-free, (iii) the results that may be obtained from the use of the service will be accurate or reliable, (iv) the quality of any products, services, information, or other material purchased or obtained by you through the service will meet your expectations, and (v) any errors in the software will be corrected.
4. Any material downloaded or otherwise obtained through the use of the service is done at your own discretion and risk, and that you will be solely responsible for any damage to your mobile device or loss of data that results from the downloading of any such material.
5. No advice, consultation, or information, whether through oral or written means, or any other format, obtained by you from the Credit Union or from the service, shall create any warranty not expressly stated in this agreement.

Please contact us at (401) 596-7000 or email us at eservices@westerlyccu.com with any questions you may have regarding the above Remote Deposit General Agreement.