

## MOBILE DEPOSIT SERVICES

Excerpt from First Citizens' Federal Credit Union's

Online Banking Agreement & Electronic Funds Transfer Disclosure

Effective May 1, 2023

The Services described in this Mobile Deposit Services section are designed to enable you to make deposits of paper checks ("Original Checks") to your checking, savings, or money market Accounts from home or elsewhere by using your camera-enabled mobile Device to capture digital images of the Original Checks and then transmitting the digital images and associated deposit information ("Images") to us or our designated processor.

- A. Cutoff Time.** If you make a deposit using Mobile Banking up to 4:00 PM on a business day that we are open and your Mobile Banking deposit is accepted, we will consider that day to be the day of your deposit. However, if you make a deposit using Mobile Banking after 4:00 PM or on a day we are not open, we will consider the deposit was made on the next business day we are open.
- B. Definitions.** For the purposes of this Mobile Deposit Services section of the Agreement, "Mobile Deposit Services" refers to the Online Banking Services described in this section of the Agreement. "Device" means a supportable mobile device including a cellular phone or other mobile device that is web-enabled and allows secure SSL traffic.
- C. Eligibility; No Commercial Use or Resale.** You agree that the Mobile Deposit Services provided pursuant to this Agreement are for the Account owner's use alone. You acknowledge and agree that you are strictly prohibited from reselling the Mobile Deposit Services. To use the Mobile Deposit Services, you must be a registered Online Banking user and you must satisfy any qualification requirements established by us.
- D. Qualifications.** Use of the Mobile Deposit Services is a privilege that we may provide to you when you satisfy certain criteria as may exist and be modified from time to time. In addition, the Mobile Deposit Services may be withdrawn/withheld/suspended by us at any time and without prior notice or reason or cause.
- E. Requirements.** You understand and agree that you at your sole cost and expense must use a mobile device that meets all technical requirements for the proper delivery of the Mobile

Deposit Services and that fulfills your obligation to obtain and maintain secure access to the Internet. Currently, the Service is only accessible through Devices that run on the iOS, Android and Fire OS (Does not support 2011 Fire OS) operating systems. You understand and agree that you may also incur, and shall pay, any and all expenses related to the use of the Mobile Deposit Services, including, but not limited to, telephone service or Internet service charges. You are solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Mobile Deposit Services. You understand and agree that you are solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Mobile Deposit Services and the cost thereof, and you hereby agree that you will perform, or cause to be performed, all vendor recommended maintenance, upgrades and replacements. The Credit Union is not responsible for, and you hereby release us from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. We are not responsible for, and you hereby release us from, any and all claims or damages resulting from, or related to, defects in or malfunctions of your computer hardware or software, or failures of or interruptions in any electrical, telephone or Internet services. The Credit Union hereby advises you, and you hereby agree to scan your computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses.

- F. Required Information and Image Quality.** Each Image must provide all information on the front and back of the Original Check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying bank that is preprinted on the Original Check, MICR information, signature(s), any required identification written on the front of the Original check and any endorsements applied to the back of the Original Check. You agree to restrictively endorse any item transmitted through the Mobile Deposit Services as indicated on the *Pay To The Order Of* line and print "For Mobile Deposit Only" under your signature or as otherwise instructed by us. You agree to follow any and all other procedures and instructions for use of the Services as we may establish from time to time.

Each Image must be legible, as determined in the sole discretion of the Credit Union. Without limiting the foregoing, the image quality of the items must comply with the requirements established from time to time by us, American National Standards Institute, the Board of

Governors of the Federal Reserve System, or any other regulatory agency, clearinghouse or association.

- G. Fees and Charges.** You agree to pay for the Mobile Deposit Services in accordance with our “Schedule of Fees and Charges” for deposit Accounts and as it may be amended from time to time. We may add to, enhance or otherwise change the Mobile Deposit Services and by using such added or enhanced features, you agree to any applicable fees and charges. Currently, there is no charge for the Mobile Deposit Services.
- H. Eligible Items.** You hereby agree that you will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC, 12 C.F.R. Part 229 (“Reg CC”). You agree that the Image of the check that is transmitted to us (each such check and other item a “Check” and, if more than one, “Checks”) shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code, as adopted by the Commonwealth of Massachusetts. You also acknowledge and agree that deposits that you make using the Mobile Deposit Services are not “Electronic Funds Transfers” as that term is defined in Regulation E, 12 C.F.R. Part 1005.
- I. Permitted Items.** You agree to use the Mobile Deposit Services to deposit only the following checks to your checking, savings or money market Account at the Credit Union:
- Checks that are properly payable to the Account owner;
  - Checks that are drawn on a financial institution that is located within the United States or Territories of the United States;
  - Checks that are not prohibited by the Credit Union’s then current procedures and are not in violation of any law, rule or regulation.
- J. Prohibited Items.** You agree that you **will not** use the Service to deposit any checks to your checking, savings or money market Account at the Credit Union as follows (each a “Prohibited Check”):
- Checks that are payable to any person or entity other than the owner of the Account that the check is being deposited into;
  - 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 owner;

- Checks that you know or suspect or should know or suspect are altered on the front of the check or item or otherwise not authorized by the owner of the account on which the check or item is drawn;
- Checks that have previously been submitted through the Mobile Deposit Services, our remote deposit capture (RDC) service or through a mobile deposit capture or remote deposit capture service offered by any other financial institution;
- Checks that have been previously returned unpaid by the financial institution on which they are drawn;
- Checks that are prohibited by us then current procedures pertaining to the Mobile Deposit Services or are in violation of any law, rule or regulation or which are otherwise not acceptable under the terms of our Deposit Account Agreement;
- Checks on which the numerical and written amount are different;
- Checks that are dated more than six (6) months prior to the date of deposit;
- Checks that are in any way incomplete;
- Checks that are payable jointly, unless deposited into a deposit Account in the name of all payees;
- Checks that have not been previously endorsed by a bank and are either “substitute checks” (as defined in Reg. CC or other applicable federal law or regulation) or “image replacement documents” that purport to be substitute checks, without Bank’s prior written consent;
- Checks that are remotely created checks as defined in Reg. CC, or are remotely created payment orders.
- Checks that are not payable in United States currency;
- Checks that are drawn on financial institutions that are located outside of the United States or Territories of the United States;
- Checks that have any endorsement on the back other than that specified in this Agreement;

If you deposit a Prohibited Check, you agree to indemnify and reimburse us for, and hold the Credit Union harmless from and against, any and all losses, costs and expenses (including reasonable attorney’s fees) that we may incur associated with any warrant, indemnity or other claim related thereto. Furthermore, if after first having obtained our written consent to do so, you use the Mobile Deposit Services to provide us with an electronic representation of a substitute Check for deposit into an Account instead of an Original Check, you agree to

indemnify and reimburse us for, and hold the Credit Union harmless from and against, any and all losses, costs and expenses (including reasonable attorney's fees) the Credit Union incurs because any such substitute check resulting from such electronic representation does not meet applicable substitute check standards and/or causes duplicate payments.

- K. Receipt of Deposit.** All Images processed for deposit through the Mobile Deposit Services will be treated as "deposits" under this Agreement and our Deposit Account Agreement. We will not be deemed to have received an Image for deposit until we have confirmed receipt to you. When we receive an Image, we will send a confirmation email to you at an email address that you have provided to us. If, on any business day, you transmit a deposit using the Mobile Deposit Services and receive email notification that the deposit has been accepted for that business day, the Credit Union will consider that day to be the day of deposit. Generally, deposits transmitted prior to 4:00 p.m. Eastern Time on a business day, enable us and its designated processor, sufficient time to perform certain duties and accept the deposit for same business day credit. Deposits transmitted after 4:00 p.m. Eastern Time will be processed the next business day. Every day is a business day except Saturdays, Sundays, federal holidays and days the Credit Union is closed.
- L. Funds Availability.** Funds from items deposited using the Mobile Deposit Services will generally be available within two (2) business days after the day of your deposit. However, we may make such funds available later based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information and such other factors as we, in its sole discretion, deems relevant. You agree that the Credit Union is not liable to you in the event it delays availability of funds from such deposits. You will find a copy of our funds availability policy on
- M. Retention and Disposal of Transmitted Items.** Upon your receipt of a confirmation email from us that we have received the Image of an item, you must securely store the Original Check for ninety (90) days after transmission to us and make the Original Check accessible to us at our request. Upon our request from time to time you will deliver to us within two (2) business days, at your expense, the requested Original Check in your possession. If not provided in a timely manner, such amount will be reversed from the Account in which the item was originally deposited. When the ninety (90) day retention period expires, you must destroy the Original Check by first marking it "Void" and then destroying it by cross-cut shredding or another

commercially acceptable means of destruction. After destruction of an Original Check, the Image will be the sole evidence of the Original Check.

- N. Returned Deposits.** Any checks deposited through the Mobile Deposit Services will be provisionally credited to your Account. As used herein, “Provisionally” means that the deposit is made to your Account subject to final payment of the Checks and subject to the terms of the Deposit Account Agreement. If Original Checks deposited through the Mobile Deposit Services are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason including, but not limited to, issues relating to the quality of the Image, you agree that an Original Check will not be returned to you, but that we may charge back the amount of the Original Check and provide you with an Image of the Original Check, a paper reproduction of the Original check or a substitute check. You will reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned item. Without our approval, you shall not attempt to deposit or otherwise negotiate an Original Check if it has been charged back to you. We may debit any of your Accounts to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made in a timely manner.
- O. Availability of the Mobile Deposit Services.** The Mobile Deposit Services are generally available 7 days a week, 24 hours a day. At certain times, the Mobile Deposit Services may not be available due to system maintenance or technical difficulties, including those of the wireless service provider, the software or circumstances beyond our control. We are not responsible for the unavailability of the Mobile Deposit Services or any damages that may result from its unavailability and the Credit Union is not responsible for providing an alternate method of remote deposit if the Mobile Deposit Services are not available. If you are not able to use the Mobile Deposit Services to make deposits, you may physically mail or deliver your deposits to our retail banking offices or through our ATMs that accept deposits. The deposit of Original Checks at a retail banking office or at an ATM will be governed by the terms and conditions contained in our Deposit Account Agreement and not by the terms of this Agreement.
- P. Compliance with Law.** You will use the Mobile Deposit Services for lawful purposes and in compliance with all applicable laws, rules and regulations. You agree to comply with all existing and future operating procedures used by us for processing of transactions. You further agree

to comply with, and be bound by, all applicable state or federal laws, rules, regulation, orders, guidelines, operating circulars and pronouncements, affecting Checks and items, including, but not limited to, all rules and procedural guidelines established by the Board of Governors of the Federal Reserve System and any clearinghouse or other organization in which we are a member or to which rules the Credit Union has agreed to be bound. These procedures, rules, regulations, and laws (collectively the "Rules") are incorporated herein by reference. In the event of conflict between the terms of this Agreement and the Rules, the Rules will control.

- Q. Your Responsibility.** You are solely responsible for the quality, completeness, accuracy, validity and integrity of the Image. You are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible Images to us or if the Mobile Deposit Services are used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable Images to us.
- R. Your Indemnification Obligation.** You understand and agree that you are required to indemnify us and hold us harmless, including our affiliates, officers, employees and agents against any and all claims, actions, damages, liabilities, costs and expenses, including reasonable attorney's fees and expenses arising from your use of the Mobile Deposit Services and/or breach of this Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.
- S. Cooperation with Investigation.** You agree to cooperate with us in the investigation of unusual transactions, poor quality transmissions, and resolution of member claims, including by producing upon request and without further cost, any originals or copies of items deposited through the Mobile Deposit Services in your possession and your records relating to such items and transmissions.
- T. Ownership and License.** You agree that the Credit Union and/or its service provider(s) retain all ownership and proprietary rights in the Mobile Deposit Services, associated content, technology and website(s). Your use of the Mobile Deposit Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, your breach of this Agreement immediately terminates your right to use the Mobile Deposit Services. Without limiting the restriction of the foregoing, you may not use the Mobile Deposit Services (i) in any anti-competitive manner, (ii) for any purpose which would

be contrary to our business interest, or (iii) to our actual or potential economic disadvantage in any aspect. In addition, you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Mobile Deposit Services, copy or reproduce all or any part of the technology or Mobile Deposit Services; or interfere, or attempt to interfere, with the technology or Mobile Deposit Services.