

Mobile Deposit Capture Service End User Agreement

This Mobile Deposit Capture Service End User Agreement contains the terms and conditions for the use of the Mobile Deposit Capture Service that L&N Federal Credit Union (L&NFCU) may provide to you. This Agreement supplements the terms of other agreements you have entered into with the L&NFCU, including the Account Rules and related fee schedules and disclosures that govern the terms, conditions and fees of your deposit account(s) with us. The terms and conditions of your Account Agreement are incorporated by reference and made a part of this Agreement. In the event of a conflict between the terms of this Agreement and your Account Agreement the terms of this Agreement shall control as it regards the provision of the Service.

Service Definitions

"Business Day" is every Monday through Friday, Eastern Time, excluding Federal Reserve holidays.

"Service" refers to L&NFCU's Mobile Deposit Service.

Use of Service

This Service allows you to deposit checks into eligible L&NFCU's accounts from a remote location by scanning the items with a compatible mobile device which then delivers the images and associated deposit information to L&NFCU electronically. You may use this Service in accordance with this Agreement. By using the Service, you authorize L&NFCU to convert checks to images or create substitute checks for the purpose of clearing the check. L&NFCU reserves the right to change the Service at any time and in any manner in its sole discretion. Your continued use of the Service will indicate your acceptance of any such changes.

Agreement Acceptance

Your electronic acceptance of this Agreement and use of the Service means you agree to all terms and conditions in this Agreement. Please read this Agreement carefully and keep a copy for your records.

Eligibility and Qualification Requirements

To qualify for this Service, you must meet eligibility criteria as dictated by us, including having all accounts in good standing.

E-mail Address

You agree to notify us immediately if you change your e-mail address and that your notification will be made by following our procedures for updating personal information. You understand that the e-mail address that we have on file for you is the address where we will send you notification of receipt of Mobile Deposit Transactions as well as any other information about the Service we deem necessary to

communicate to you. We are not responsible for any losses incurred as a result of you not receiving or otherwise not reading notifications or confirmations we send to you.

Eligible Accounts

The consumer checking and savings accounts that are not eligible for this Service are:

- a. Trust Savings
- b. Custodial Savings or Checking
- c. Guardian Savings or Checking
- d. QIT Trust Savings or Checking

All business owned checking and savings accounts are eligible for this Service.

Limitations of Service

When using this Service, you may experience technical or other difficulties. We do not assume liability for any technical or other difficulties that you may incur. We reserve the right to change, suspend, or revoke services immediately and at any time without prior notice to you. In the event this Service is not available to you, you acknowledge that you can deposit your check at a branch office location, through a participating ATM, or by mail.

Charges or Fees

L&NFCU does not charge a usage fee for this Service. We reserve the right to start charging for this Service at any time. If an item you transmit for deposit is dishonored, rejected or otherwise returned unpaid, you agree that we may charge back the amount of the return to the account the check was originally deposited to and you will be assessed a fee in the amount shown on L&NFCU's current Schedule of Fees and Charges for a returned check. If there are not sufficient funds in your account to cover the amount of the returned check, the account will be overdrawn and you will be responsible for payment. You agree that L&NFCU may debit any account maintained by you in order to obtain payment of your obligations under this Agreement. You acknowledge that wireless providers may assess fees, limitations, or restrictions. You agree that you are solely responsible for all such fees, limitations, and restrictions, and that we may contact you via your wireless device for any purpose concerning your accounts at L&NFCU, including but not limited to account servicing and collection purposes.

Eligible Items

You agree to scan and deposit only "checks" as that term is defined in the Expedited Funds Availability Act as implemented by Regulation CC.

Ineligible Items

You agree that you will not use this Service to scan and deposit any ineligible items including but not limited to the following:

- a) Checks or items payable to any person or business other than you
- b) Post-dated checks
- c) Checks or items containing an obvious alteration to any of the fields on the front of the check or item which you know or suspect, or should know or suspect to be fraudulent.
- d) Checks or items drawn or otherwise issued by you or any other party on any of your L&NFCU accounts
- e) Checks or items not payable in United States currency
- f) Items drawn on financial institutions located outside the United States
- g) Items previously converted to a substitute check
- h) Consumer loans, credit card, and mortgage payments
- i) IRA and Share Certificate deposits
- j) Money orders and travelers checks
- k) Starter or counter checks
- l) Savings bonds
- m) Checks that require authorization (e.g. COMCHEKS, BranchPay, RapidDrafts)

Image Quality

The image of a check transmitted to L&NFCU using the Service must consist of legible images of the front and back of the check. The image that is transmitted must be of such quality that the following information can easily be read by sight review of the image:

- a) The amount of the check
- b) The payee
- c) The drawer's signature
- d) The date of the check
- e) The check number
- f) Information identifying the drawer and the paying bank that is preprinted on the check in the MICR line, including the routing transit number, account number, check amount when encoded, serial number and process control field.

Endorsement Requirements

You agree to endorse all items with your signature and print "For Mobile Deposit Only at LNFCU" on all items. L&NFCU reserves the right to reject all items that are not endorsed as specified.

Deposit Limits

For members age 18 and over, when using the Service to deposit funds, such deposits are limited to \$10,000 per business day and 100 items per day. You must receive a Deposit Approval Notification by 5:00pm for a deposit to be considered that day. Weekly deposits are limited to total of \$20,000 with \$50,000 being the total deposited amount allowed monthly.

For members age 15 to 17, when using the Service to deposit funds, such deposits are limited to \$500 per business day and a total of 100 items per day. You must receive a Deposit Approval Notification 5:00pm for a deposit to be considered that day. Weekly deposits are limited to total of \$800 with \$2000 being the total deposited amount allowed monthly.

Receipt of Items

We reserve the right to reject any item transmitted through this Service, at our discretion. We are not liable for items we do not receive or for images that are not transmitted completely. An image is considered transmitted when a Confirmation Notification is received. However, such notification does not mean that the transmission was without error.

Provisional Credit and Availability of Funds

Below is our general funds availability policy for this service:

If you receive a Confirmation Notification on...

Any day between 9:00 AM -5:00 PM EST

Funds are generally available the next business day, but an extended hold may be placed on the deposit if required.

If you deposit a check on...

A Holiday

Funds are generally available the next business day, but an extended hold may be placed on the deposit if required.

Credit given for the item is provisional and subject to final approval of the item. Funds you deposit may be delayed for a longer period of time when we have reasonable cause to believe the check is uncollectable. We will notify you if we delay your ability to withdraw funds because we believe the check is uncollectable and we will tell you when funds will be available. You agree to receive all notifications regarding your use of this Service, including but not limited to exception notices as required by Regulation CC via electronic message. With respect to each item you send to L&NFCU for deposit, you agree to indemnify and reimburse L&NFCU for and hold L&NFCU harmless from and against any and all losses, costs, and expenses.

Method of Presentment

The manner in which items are cleared, presented for payment, and collected shall be in L&NFCU's sole discretion.

Retention and Disposal of Items

You agree to retain each item no fewer than two weeks after your funds have been posted to your account. Upon receipt of these funds, you agree to mark the items prominently as "Void" and to dispose of the item(s) in a way that prevents representing for payment. You agree to store each retained item in

a secured area until such proper disposal is performed. You will promptly provide any retained item to L&NFCU as requested to aid in the clearing and collection process or to resolve claims by third parties with respect to any item.

Errors or Discrepancies

Notify L&NFCU at 1-800-292-2905 as soon as possible if you believe your statement is incorrect, or if you need more information about a transaction listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem appeared. If you do not notify us within 60 days from the date your statement was sent, you may not be compensated for any losses.

Hardware and Software

In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by L&NFCU from time to time on the Service website. You will also be required to download and install the Service application to your smart phone device from your wireless service provider. L&NFCU is not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation. You understand and agree that you are solely responsible for any Internet, cellular, data download or other charges that your Internet service provider or wireless service provider may impose for your access to the Internet or download of an application to use the Service.

Security Requirements

To prevent unauthorized usage of the Service, you agree to ensure the security of the mobile device you own and use to access the Service. By securing this device, we specifically mean installing operating system patches, antivirus software, firewall and spyware detection as applicable and keeping this security software current, as well as securing the physical device from theft or unauthorized use. Additionally, L&NFCU may also request additional information from you.

Legal Owner/Authorized Signor

If you have designated a legal owner/authorized signor on your Account, your legal owner/authorized signor will also have online access to the Mobile Deposit Service. You and your legal owner/authorized signor(s) are equally responsible for adhering to all items disclosed in this Agreement.

Disclaimer of Warranties

L&NFCU's representations, warranties, obligations, and liabilities and your rights and remedies, set forth in this Agreement, are exclusive. The software is provided by L&NFCU and its licensors "as is" and on an "as available" basis. We disclaim all warranties of any kind as to the use of the services, whether express or implied, including but not limited to the implied warranties of merchantability, fitness for a particular

purpose. We make no warranty that the services (i) will meet your requirements, (ii) will be uninterrupted, timely, secure, or error free, (iii) that the results that may be obtained from the service will be accurate or reliable, and (iv) that any errors in the services or technology will be corrected.

Limitation of Liability

L&NFCU's liability for errors or omissions with respect to the data transmitted or printed by L&NFCU will be limited to correcting the errors or omissions.

User Warranties and Indemnification

You warrant to L&NFCU that:

- a) You will only transmit eligible items that are properly endorsed.
- b) Images will meet the image quality standards.
- c) You will not transmit duplicate items.
- d) d. You will not deposit or re-present the original item once it has been scanned and sent through this Service, unless specifically requested to do so by L&NFCU.
- e) All information you provide to L&NFCU is accurate and true.
- f) L&NFCU will not sustain a loss because you have deposited an image.
- g) g. You will comply with this Agreement and all applicable rules, laws, and regulations.
- h) h. Items you transmit do not contain viruses.

You agree to indemnify and hold harmless L&NFCU from any loss for breach of the warranty provision.

Change in Terms

L&NFCU reserves the right to change the terms and conditions of this Service or terminate this Agreement without notice at any time.

Governing Law

This Agreement supplements the terms of your Membership Agreement and Disclosures. Together they constitute the entire Agreement between you and L&NFCU with respect to the services. You may not assign this Agreement. This Agreement is governed by the laws of the Commonwealth of Kentucky and of the United States. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid. Unauthorized use of this Service is strictly prohibited.