



MOBILE DEPOSIT SERVICES AGREEMENT

Mobile Deposit is designed to allow you to make deposits of checks (“original checks”) to your accounts from home or other remote locations by scanning the original checks and delivering the digital images and associated deposit information (“images”) to us or our processor with your Mobile Device. After you login to Mobile Banking, you may apply for Mobile Deposit.

Business accounts. Business accounts requesting access to Mobile Remote Deposit Services are reviewed prior to access being granted.

Eligible items. You agree to scan and deposit only checks (*i.e.*, drafts drawn on a credit union, savings and loan or bank and payable on demand.)

You agree that you will not use Mobile Deposit to deposit:

- Checks payable to any person or entity other than you (*i.e.*, payable to another party and then endorsed to you or payable to cash).
- Checks payable to you and another party who is not a joint owner on the account.
- Checks that contain evidence of alteration, or that 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.
- Money Orders
- Traveler’s Checks
- Foreign Checks
- Checks payable for amounts in foreign currency
- Un-encoded checks

Requirements. 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. The image quality must meet the standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. Your endorsement must include your signature and “FOR MOBILE DEPOSIT ONLY AT *VERMONT FEDERAL CREDIT UNION*”. Any loss we incur from a delay or processing

error resulting from an irregular endorsement or other markings by you will be your responsibility.

A check payable to two payees must be endorsed by both payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and your joint owner, both of you must endorse the check.

Receipt of Deposit. All images processed for deposit through Mobile Deposit will be treated as “deposits” under your current Membership and Account Agreement with us and will be subject to all terms of the Membership and Account Agreement. When we receive an image, we will confirm receipt via email to you. We shall not be deemed to have received the image for deposit until we have confirmed receipt to you. Confirmation does not mean that the image contains no errors. We are not responsible for any image that we do not receive.

Following receipt, we may process the image by preparing a “substitute check” or clearing the item as an image.

We reserve the right, at our sole and absolute discretion, to reject any image for remote deposit into your account. We will notify you of rejected images.

Failed deposits. If a check fails to process correctly through the mobile deposit application you may bring the check to the nearest Vermont Federal Credit Union branch for processing. There are limitations to the checks we will accept:

- A check with a restrictive endorsement in another institutions name will not be accepted, you will need to contact the issuer for a new check.
- A check having a restrictive endorsement with Vermont Federal Credit Union listed may be processed with an extended hold (up to 15 days) placed on it.
- A check having a restrictive endorsement and no financial institution listed may be processed with an extended hold (up to 15 days) placed on it.

Original checks. After you receive confirmation that we have received an image, you must securely store the original check for 14 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 48 hours; at your expense, the requested original check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after such 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.

You agree that you will never re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

Returned Deposits. Any credit to your account for checks deposited using Mobile Deposit is provisional. If original checks deposited through Mobile Deposit 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 timely.

Your Warranties. You make the following warranties and representations with respect to each image:

- Each image 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.
- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine, and accurate.
- You will not deposit or otherwise endorse to a third party the original check and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the original check or a paper or electronic representation of the original check such that the person will be asked to make payment based on an item that has already been paid.
- There are no other duplicate images of the original check.
- The original check was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of the original check.
- You have possession of the original check and no party will submit the original check for payment.

With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule. You agree that files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

Compliance with Law. You will use Mobile Deposit 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 handled the original items in accordance with applicable laws, rules and regulations.

Mobile Deposit Unavailability. Mobile Deposit may be unavailable temporarily due to system maintenance or technical difficulties, including those of the Internet service provider, cellular service provider and Internet software. In the event that Mobile Deposit is unavailable, you may deposit original checks at our branches or through our ATMs or by mailing the original check to: Vermont Federal Credit Union P.O. Box 407 84 Pine Street, Burlington, VT 05402.

Funds Availability. For purposes of funds availability, Mobile Deposits are made in our Main Office Mobile Deposits confirmed as received before 4 PM EST on a business day will be credited to your account the same day after 6PM EST. Deposits confirmed received after 4PM EST and deposits confirmed received on holidays or days that are not our business days will be credited to your account on the following business day after 6PM EST. Funds will be available as follows for consumer and business accounts:

- New Accounts (0-30 days)
 - 9 business day hold is placed.
 - \$200 released.
- Accounts 31-60 days
 - 2 business day hold is placed.
 - \$200 released.
- Over 60 days:
 - No hold placed on items under \$1,000.
 - 2 business day hold on items \$1,000 and over.
 - Under \$1,000 auto-release of funds.
 - Over \$1,500 reviewed by Deposit Operations staff.

Extended holds can be placed at our discretion due to doubtful collectability, check previously returned or if your account is repeatedly overdrawn in the previous six months. If an extended hold is placed, you will be notified.

Business Days. Our business days are Monday thru Friday, except holidays.

Mobile Deposit Security. You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately by telephone to (888) 252-0202 option 3 and may be asked to provide written confirmation if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit and monitor you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

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 Mobile Deposit is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

In addition you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, copy or reproduce all or any part of the technology or Service; or interfere, or attempt to interfere, with the technology or Service. We and our technology partners, inclusive of, but not limited to, Intuit, Inc. and Vertifi Software, LLC, retain all rights, title and interests in and to the Services, Software and Development made available to you.

Revocation of Service. The Mobile Remote Deposit Service can be revoked at our discretion at any time.

Accountholder's Indemnification Obligation. You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

You understand and agree that you are required to indemnify our technology partners, including but not limited to Intuit, Inc. (Intuit) and Vertifi Software, LLC (Vertifi), and hold harmless Intuit, its affiliates, officers, employees and agents, as well as Vertifi, its affiliates, officers, employees, and agents, from and against any third party claims, suits, proceedings, actions or demands, including to claims of another financial institution, business entity or governmental authority, and all losses, liabilities, damages, fines, penalties, costs and expenses, including court costs and reasonable attorney fees and expenses, arising from such claims, to the extent such claim is related to FI or End User's use of the Services, Vertifi or Intuit Applications, unless such claim directly results from an action or omission made by Intuit or Vertifi in bad faith. You understand and agree that this paragraph shall survive the termination of this Agreement.

DISCLAIMER OF WARRANTIES. YOU AGREE THAT YOUR USE OF ANY REMOTE BANKING SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY REMOTE BANKING SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT ANY REMOTE BANKING SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR

ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY REMOTE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.

LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF ANY REMOTE BANKING SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.

Financial Information. You must inform us immediately of any material change in your financial circumstances or in any of the information provided in your Application for any Remote Banking services. You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your history from time to time.