

FedStar Credit Union

Mobile Remote Deposit Capture Terms and Conditions Agreement

This Remote Deposit Capture Services Agreement is a contract between you and FedStar Credit Union which establishes general terms and conditions for the use of FedStar Credit Union remote deposit capture services. Other agreements you have entered into with FedStar Credit Union, including the Membership and Account Agreement and required Disclosures governing your FedStar Credit Union account, are incorporated by reference and made a part of this Agreement.

Services

The remote deposit capture service (“Services”) are designed to allow you to make deposit to one of your FedStar Credit Union accounts from home or other remote locations by scanning checks and delivering the images and associated deposit information to FedStar Credit Union’s designated processor. There is currently no charge for the Services.

Acceptance of these Terms

Your use of the Services constitutes your acceptance of the Agreement. This agreement establishes the rules that govern the processing of deposited checks through member accounts held at the credit union using Mobile Remote Deposit. From time to time FedStar Credit Union may amend any of the terms and conditions contained in this agreement. We reserve the right to change, modify, add, or remove portions for the Services. Such amendments shall become effective as stated on any notice sent to you, the member. The credit union will provide notice of any material change to you via e-mail or on our website by providing a link to the revised Agreement. Your continued use of the Services will indicate your acceptance of the revised Agreement. By using the Mobile Remote Deposit, you also accept all the terms and conditions of the Membership and Account Agreement and the Truth in Savings Schedule and Disclosures for Depository accounts.

Definitions

In this Agreement, the following terms have the following meaning:

“You” and “your” means the FedStar Credit Union member who enrolls in or uses the internet banking services. “We”, “us” and “our” mean FedStar Credit Union. “Remote Deposit Capture Service” or “Mobile Remote Deposit” or “Service” means the use of the software and/or hardware provided by FedStar Credit Union to capture images of eligible items and deposit them to eligible accounts.

“Accounts” mean the accounts on which you are the owner or joint owner at FedStar Credit Union, and for which remote deposit capture services are available. “Business Days” are Monday through Friday, excluding Federal Bank holidays.

Eligible Accounts

In order to use the Service, you must be a FedStar member or joint owner of a FedStar Credit Union account in good standing, and at least eighteen (18) years of age. Additionally, we may establish other criteria for determining the eligibility of accounts (for example, the length of time the account has been open) at our sole discretion. You or we may terminate the Service on any account at any time and for any reason.

Limitations of Service

When using the Services, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you.

Eligible Items

Only checks as defined in the Federal Reserve Regulation CC ("Reg CC") may be deposited through the Service. By depositing an item through the Service, you agree that the image of the check transmitted to FedStar Credit Union shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code as adopted in the State of Texas. You agree that you will not use the Services to scan and deposit any checks or other items unless it meets the criteria as shown below. You warrant that the following:

- a. The item is payable to the person or persons who own the account into which it is being deposited.
- b. The item has been properly endorsed "For Mobile Deposit only at FedStar Credit Union, Account # _____".
- c. The item is not drawn on a financial institution located outside of the United States.
- d. The item is payable in United States Currency.
- e. The item is not dated in the future (i.e. postdated), or is not more than 6 months old.
- f. The item has not been previously presented for payment at FedStar Credit Union or to any other party or financial institution.
- g. The item does not contain any obvious alterations 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.
- h. You do not know or believe the item to be unauthorized or previously converted to a substitute check, as defined in Reg CC or that the item is not a remotely created check.
- i. The item is not prohibited by FedStar Credit Union's current procedures relating to the Services or which are otherwise not acceptable under the terms of your FedStar Credit Union Membership and Account Agreement.

We may review or verify any item deposited through the Service, and we may reject an item for Deposit for any reason without liability.

Image Quality

We may determine, at our sole discretion, whether an image of an item submitted through the Service is of sufficient quality for acceptance and presentment. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association.

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 FedStar Credit Union that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.

Endorsements and Procedures

You agree to restrictively endorse any item transmitted through the services as “For Mobile Deposit Only at FedStar Credit Union, Account # _____”. You agree to follow any and all other procedures and instructions for use of the Services as FedStar Credit Union may establish from time to time.

Availability of Funds

Checks deposited through the Service will be converted to image items for processing. The services are subject to transaction limitations and the Funds Availability Disclosure, as set forth in the Membership and Account Agreement and Truth-in-Savings schedule, which govern the use of your account(s). We are notifying you in advance that deposits made by the Mobile Remote Deposit program do not fall under the standard provisions of Federal Reserve Board Regulation CC – Expedited Funds Availability Act. As such, longer hold periods may apply. You agree to receive notice of extended hold times via the e-mail address provided in account agreement. FedStar Credit Union may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and other such factors as FedStar Credit Union, in its sole discretion, deems relevant.

Destruction of Original Items

After you use the Service to deposit an item, you agree not to deposit the same item anywhere else or through any other channel. You agree to retain the item for 90 days or longer if we request it, and then destroy or otherwise make it incapable of further deposit or presentment. You agree to prominently mark the item as “Electronically Presented” or “Void” and to properly dispose of an item to ensure that it is not represented for payment. You agree to be liable for the failure to destroy items as described in this Agreement, or if an item is deposited through the Service and the same item is later presented or deposited again. You will promptly provide any retained item, or a sufficient copy of the front and back of the item to FedStar as requested to aid in the clearing and collection process, to resolve any claimed by third parties with respect to any item, or for our audit purposes.

Presentment

The manner in which the items are cleared, presented for payment, and collected shall be in FedStar Credit Union’s sole discretion subject to the Depository Agreement and Disclosures governing your account(s).

Deposit Limits

We may establish limits on the total number of checks or total amount of checks deposited through the Services. We may establish or change such limits at any time and without notice to you.

Errors

You agree to the provisions of your Deposit Account Agreement regarding your responsibilities to notify us of errors apply to items deposited through the Service. You agree that the deposit of an item through the Service is not an “Electronic Funds Transfer” under the Federal Consumer Financial Protection Bureau’s Regulation E. You agree to notify FedStar 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 account statement is sent. Unless you notify us 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 FedStar Credit Union for such alleged error.

Indemnity

You agree to be solely liable for the use or misuse of the Services, and you agree to indemnify, defend and hold us and any third party provider of software or services harmless from any legal action or claim asserted against us and/or third-party providers by any other party relating to your use of the Service and any claims, liabilities, damages, costs and expenses)including reasonable attorney fees) incurred by us/or third-party provider as a result of your use or misuse of the Service.

Limitations on Service

You agree not to hold us liable for interruptions in availability or functionality of the Service, which may occur without notice to you for technical or other reasons.

Amendment

We may add to, change, or delete their terms of this Agreement by providing notice to you. We may also add to, change, or delete some functionalities or features of the Service at any time without notice. If you do not consent to a modification of this Agreement or the Service, you may terminate and discontinue your use of the Service at any time by notifying us.

Hardware and Software

In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by FedStar Credit Union from time to time. FedStar 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 into directly with the third party software provider at time of download and installation.

Ownership and License

You agree that FedStar Credit Union retains all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any, any breach of this Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to FedStar Credit Union's business interest, or (iii) to FedStar's actual or potential economic disadvantage in any aspect. You may use the Services only for non-business, personal use in accordance with this Agreement. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.

DISCLAIMER OF WARRANTIES.

YOU AGREE YOUR USE OF THE SERVICES 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 THE SERVICES, 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 (i) THE SERVICES WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THE SERVICES 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 RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICES 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 THIS SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM(WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE),EVEN IF FEDSTAR CU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

User warranties and indemnification. You warrant to FedStar CU that:

- You will only transmit eligible items
- Images will meet the image quality standards
- You will not transmit duplicate items
- You will not deposit or represent the original item
- All information you provide to FedStar Credit Union is accurate and true
- You will comply with this Agreement and all applicable rules, laws and regulations

You agree to indemnify and hold harmless FedStar CU from any loss for breach of this warranty provision.

Other terms

You may not assign this Agreement. This Agreement is entered into in Texas, and shall be governed by the laws of the State of Texas 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.