

**Palmetto Citizens Federal Credit Union**  
**MOBILE DEPOSIT SERVICES DISCLOSURE AND AGREEMENT**

Effective: July 1, 2014

In this Disclosure and Agreement, the words “I,” “me,” “my,” “us” and “our” mean the (consumer) that applied for and/or uses any of the Mobile Check Deposit Services (the “Services”) described in this Disclosure and Agreement. The words “you,” “your,” and “yours” mean Palmetto Citizens Federal Credit Union. My Application for use of the Mobile Check Deposit Services, your notification of approval of my application, and the *Accounts & Services of Your Credit Union* agreement, as amended from time to time, are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement and my Application, your approval, or the Account Agreement, this Disclosure and Agreement will control.

**Use of the Services.** Following receipt of your notification approving my use of the Services, I am authorized by you to remotely deposit paper checks I receive to my account with you (the “Account”) by electronically transmitting a digital image of the paper checks to you for deposit. My use of the Services constitutes my acceptance of the terms and conditions of this Disclosure and Agreement. I agree to comply with the hardware and software requirements set forth in “System Requirements.” Upon receipt of the digital image, you will review the image for acceptability. I understand and agree that receipt of an image does not occur until after you notify me of receipt of the image via onscreen messaging and/or email notification. I understand that, in the event I receive a notification from you confirming receipt of an image, such notification does not mean that the image contains no errors or that you are responsible for any information I transmit to you. You are not responsible for any image that you do not receive. Following receipt of the image, you may process the image by preparing a “substitute check” or clearing the item as an image. Notwithstanding anything to the contrary, you reserve the right, within your sole and absolute discretion, to accept or reject any item for remote deposit into my Account. I understand that any amount credited to my Account for items deposited using the Services is a provisional credit and I agree to indemnify you against any loss you suffer because of your acceptance of the remotely deposited check.

**System Requirements.** I am responsible for maintaining supported devices that provide access to the Services. Those devices include but are not limited to mobile devices, computer systems, software, internal memory, and hardware that are compatible with the Services. I am also responsible for procuring my own mobile network operator or internet service provider.

In addition I agree that I will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.

**Compliance with Law.** I agree to use the products and Services for lawful purposes and in compliance with all applicable laws, rules and regulations. I warrant that I will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations. I promise to indemnify and hold you harmless from any damages, liabilities, costs, expenses (including attorneys’ fees) or other harm arising out of any violation thereof. This indemnity will survive termination of my Account and this Agreement.

**Check Requirements.** Any image of a check that I transmit to you must accurately and legibly provide all the information on the front and back of the check at the time presented to me by the drawer. Prior to capturing the original check, I will indorse the back of the original check. The image of the check transmitted to you must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality

established by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

**Rejection of Deposit.** You are not liable for any service or late charges levied against me due to your rejection of any item. In all cases, I am responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

**Items Returned Unpaid.** A written notice will be sent to me of transactions you are unable to process because of returned items. With respect to any item that I transmit to you for deposit that you credit to my Account, in the event such item is dishonored, I authorize you to debit the amount of such item from the Account.

**Email Address.** I agree to notify you immediately if I change my email address, as this is the email address where you will send me notification of receipt of remote deposit items.

**Unavailability of Services.** I understand and agree that the Services may at times be temporarily unavailable due to your system’s maintenance or technical difficulties including those of the Internet service provider, mobile network operator or third party applications. In the event that the Services are unavailable, I acknowledge that I can deposit an original check at your service centers, through your ATMs that accept deposits or by mailing the check to you at P.O. Box 5846, Columbia, SC 29250. It is my sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by you. However, you will email notification of items that are rejected by the next business day following rejection.

**Business Days and Hours.** Business days and hours for Mobile Check Deposits: Monday – Friday, 9:00 a.m. to 4:00 p.m. except for Federal Holidays and other closures, scheduled or unscheduled, that will be made publicly available.

**Funds Availability.** I agree that items transmitted using the Services are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. The Credit Union reserves the right to delay the availability of funds deposited to accounts for periods longer than those disclosed in this policy. For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If I make a deposit before the “daily cut-off time” on a business day that you are open as set forth above, you will consider that day to be the day of my deposit. However, if I make a deposit after your “daily cut-off time” or on a day you are not open, I will consider that deposit made on the next business day you are open. Funds deposited using the Services will generally be made available in five business days from the day of deposit. Credit Union may make such funds available sooner based on such factors as credit worthiness, the length and extent of my relationship with the Credit Union, transaction and experience information, and such other factors as Credit Union, in its sole discretion, deems relevant.

**Internal Controls and Audit.** I understand and agree to adhere to the Internal Controls as described in this agreement. Furthermore I agree to comply with any audit requirements prescribed by you within this Agreement.

**Accountholder’s Warranties.** I make the following warranties and representations with respect to each image of an original check I transmit to you utilizing the Services:

- 1) Each image of a check transmitted to you 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.
- 2) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.

- 3) I will not deposit or otherwise indorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
- 4) Other than the digital image of an original check that I remotely deposit through your Services, there are no other duplicate images of the original check.
- 5) I have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- 6) I am authorized to enforce each item transmitted or am authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- 7) The information I provided in my Application remains true and correct and, in the event any such information changes, I will immediately notify you of the change.
- 8) I have not knowingly failed to communicate any material information to you.
- 9) I have possession of each original check deposited using the Services and no party will submit the original check for payment.
- 10) Files and images transmitted to you will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.

**Storage of Original Checks.** I must securely store each original check for a period of 90 days after transmission to you. After such period expires, I will destroy the original check. I understand and agree that I am responsible for any loss caused by my failure to secure the original checks.

**Securing Images on Mobile Devices.** When using Mobile Check Deposit, I understand that check images captured using my mobile device are stored on the device only until the associated deposit has been successfully submitted. I agree to promptly complete each deposit. In the event that I am unable to promptly complete my deposit, I agree to ensure that my mobile device remains securely in my possession until the deposit has been completed or to delete the associated images from the application.

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

**In Case of Errors.** In the event that I believe there has been an error with respect to any original check or image thereof transmitted to you for deposit or a breach of this Agreement, I will immediately contact you regarding such error or breach as set forth below.

Telephone you at: 803-732-5000 or 1-800-435-5626

or e-mail you through your PC NetExpress secure Communications Center.

**Limitation of Liability.** I understand and agree that you are not responsible for any indirect, consequential, punitive, or special damages or damages attributable to my breach of this Disclosure and Agreement.

**Charges for Use of the Services.** All charges associated with the Services are disclosed within the Relationship Pricing Schedule that is available upon request.

**Warranties.** I UNDERSTAND THAT PALMETTO CITIZENS DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE, INTERNET SERVICE PROVIDER, MOBILE NETWORK OPERATOR, THIRD PARTY APPLICATION DEVELOPERS, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PALMETTO CITIZENS IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET SERVICE PROVIDER, THE MOBILE NETWORK OPERATOR, ANY RELATED SOFTWARE, OR PALMETTO CITIZENS'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, MOBILE DEVICE, OR OTHER EQUIPMENT.

**Change in Terms.** The "Accounts and Services of Your Credit Union" agreement may be amended by you without notice to me unless required by law. My continued usage of the Services constitutes my acceptance of any changes in the terms.

**Termination of the Services.** I may, by written request, terminate the Services provided for in this Disclosure and Agreement. You may terminate my use of the Services at any time upon written notice. In the event of termination of the Services, I will remain liable for all transactions performed on my Account. You reserve the right to revoke my access to the Services at your sole discretion without notice to me.

**Relationship to Other Disclosures.** The information in these Disclosures applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

**Governing Law.** I understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of South Carolina, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. I also agree to submit to the personal jurisdiction of the courts of the State of South Carolina.

**Periodic Statement.** Any remote deposits made through the Services will be reflected on my periodic account statement. I understand and agree that I am required to notify you of any error relating to images transmitted using the Services by no later than 60 days after I receive the periodic statement that includes any transaction I allege is erroneous. I am responsible for any errors that I fail to bring to your attention within such time period.

**Limitations on Frequency and Dollar Amount.** I understand and agree that I cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth by you.

**Unacceptable Deposits.** I understand and agree that I am not permitted to deposit the following items using the Services:

- 1) Any item that is not legally payable to me or a named joint owner on the credited account.
- 2) Any item drawn on my account or my affiliate's account.
- 3) Any item that has been previously deposited or paid by the drawee.
- 4) Any item that is stamped with the words or containing the watermark "non-negotiable."

- 5) Any item that contains evidence of alteration to the information on the check.
- 6) Any item issued by a financial institution in a foreign country.
- 7) Any item that is incomplete.
- 8) Any item that is “stale dated” or “post dated.”
- 9) Savings Bonds

**Confidentiality.** I acknowledge and agree that confidential data relating to your Services, marketing, strategies, business operations and business systems (collectively, “Confidential Information”) may come into my possession in connection with this Disclosure and Agreement. I understand and agree that I am prohibited from disclosing and agree to maintain the confidentiality of your Confidential Information.

**Waiver.** The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.

**Relationship.** This Disclosure and Agreement does not create, and shall not be construed to create, any joint venture or partnership between the parties. No officer, employee, agent, servant, or independent contractor of either party shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.