

**NEIGHBORS FEDERAL CREDIT UNION**  
**REMOTE DEPOSIT CAPTURE SERVICES DISCLOSURE AND AGREEMENT**

This Remote Deposit Capture Services Disclosure and Agreement (“Agreement”) governs the use of Remote Deposit Capture Services (“RDC”, “RDC Services” or “Services”) offered by Neighbors Federal Credit Union (“Credit Union”, “we”, “us”, “our”) to accountholders (“you”, “your” or “user”). By clicking “I Agree” when you register for our RDC Services and/or by using the RDC Services, you agree to the terms and conditions of this Agreement.

**Description of the RDC Services**

The RDC Services allow you to make deposits to certain of your accounts with us that we approve (“Account”) by electronically transmitting a digital image of checks to us for deposit. In order to use the Service, you must be enrolled in our Online Banking service and our Mobile Banking application must be installed on your wireless device. You acknowledge and agree that no transaction made through or using the Service is an “electronic fund transfer” as defined by the federal Electronic Fund Transfer Act and/or Regulation E of the Consumer Financial Protection Bureau.

**Ineligible Accounts**

We may from time to time limit or prohibit the use of the Service for deposits to certain account types, at our sole discretion. Currently, we do not permit the Service to be used for deposits to the following Accounts: Individual Retirement Accounts (IRAs), Individual Retirements Account Certificates (IRA CD’s), and Share Certificate Accounts. Further, you are not permitted to use the Service to make payments on any outstanding loan with us.

**Eligible Items**

You agree that you will use the Service only to scan and transmit images of “checks”, as that term is defined in Regulation CC of the Board of Governors of the Federal Reserve System, for a deposit to your Account. Any reference herein to “check” shall refer to each and every check or item that is transmitted to us by you using the Service, both individually and collectively. You agree that the image of any check that is transmitted via the Service shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code as adopted in Louisiana. You further agree that you will not use the Service to scan or transmit any check or item that: (a) is payable to any person or entity other than you (a “third party check”); (b) is drawn or otherwise issued by you on any account you own or have an interest in, or on which you are an authorized signer; (c) is prohibited by our procedures pertaining to the Service, as amended from time to time, or is in violation of any law, rule or regulation; (d) bears any alteration or that you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the check is drawn; (e) is either a “substitute check” (as defined in Regulation CC or other applicable federal law or regulation) or an “image replacement document” that purports to be a substitute check; (f) is drawn on a financial institution that is located outside of the United States; (g) is a “remotely created check” as that term is defined in Regulation CC; (h) is not payable in United States currency; (i) is dated more than six (6) months prior to the date of scanning and transmission or is “post dated”; (j) is payable jointly, unless the check is being

deposited to an Account in the name of all payees on the check; (k) is payable on sight or is a payable through draft, as defined in Regulation CC; (l) has any endorsement on the back other than the endorsement specified in this Agreement; (m) has previously been submitted through the Service or through any remote deposit capture service offered by any other financial institution; (n) is drawn or otherwise issued by the U. S. Treasury; (o) is not acceptable to us for deposit into your Account as provided in the deposit agreement that governs your Account; or (p) is cash, a money order, cashier's check, or traveler's check (any of the foregoing being herein referred to as a "Prohibited Check").

### **Image Quality**

The image of any check transmitted to us through the Service must, in our sole and absolute judgment, be legible and contain images of the front and back of the check. The image quality of the check must meet the standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve, or any other regulatory agency, clearinghouse or association. These requirements include, but are not limited to, ensuring the following information can be clearly read and understood by sight review of the check image: (a) the amount of the check (both written and numeric); (b) the payee; (c) the signature of the drawer (maker); (d) the date the check was written; (e) the check number; (f) pre-printed information that identifies the drawer and the financial institution on which the check is drawn, including the MICR encoded account number and financial institution routing/transit number; (g) all other information placed on the check prior to the time an image of the check is captured, such as any endorsements applied to the back of the check.

### **Endorsements**

You agree to restrictively endorse any check transmitted through the Service by supplying the following verbiage: "For Mobile Deposit Only, Neighbors FCU Account # \_\_\_\_\_", followed by your Credit Union account number, and your legally-binding signature to endorse the check. For example, a proper endorsement would appear as follows:

**For Mobile Deposit Only**  
**Neighbors FCU Account #123456**  
*s/ John A. Doe*

You further agree that we may handle and process any check image you transmit to us through the Service in accordance with the terms of this Agreement notwithstanding any restrictive, qualified, or conditional endorsement you may apply to the check without our approval or direction.

### **Security Procedures**

You agree to follow any and all procedures, instructions, and guides for use of the Service as we may require from time to time and download each software update as it is available by us to you. We may require you to use a user identification code, a personal identification number, and/or passwords and other security procedures (collectively, "Service Access Procedures") to access the Service. You agree at all times to comply with the Service Access Procedures, to

safeguard the confidentiality of the Service Access Procedures, and to notify us immediately if you have any reason to believe the security or confidentiality of the Service Access Procedures has been compromised or breached.

### **Receipt of Images**

We have no obligation to accept any check or image you transmit to us through the Service, and we may reject any check or image that you transmit in our sole and absolute discretion without liability to you. You agree that we are not responsible or liable to you for images that are dropped during transmission, which we do not receive, or that are intercepted or altered by, or misdirected to, any unauthorized third party. You assume the risk that any check image or information from a check image may be intercepted or misdirected during transmission. An image shall be deemed received by us when the funds deposited appears as "Deposit Accepted" under the Deposit History tab. Such confirmation only confirms the receipt of the image and does not confirm that the transmission was complete or error free, or that the amount of the check will be finally collected from the drawee institutions and/or credited to your Account. If, after we confirm the receipt of a check image, we determine that the check is a Prohibited Check, you agree that we may charge the amount of the check back to your Account. You agree that we will not be liable to you for any loss, costs, or fees as a result of the exercise of our chargeback rights.

### **Funds Availability**

You agree that check images transmitted using the Service and the funds represented by the checks are not subject to the funds availability requirements of Regulation CC. Except as otherwise provided in this Agreement, and subject to the requirements of applicable law or regulation, funds from any check transmitted through the Service will be available after final payment with respect to the check is made by the drawee of the check, and any credit of funds to your Account before that time is provisional. As a general rule, funds from deposits made by the RDC Service will be made available to you on the second Business Day following the Business Day on which we accept the check image from you. However, funds may not be available for up to seven business days from the day the deposit was made based on such factors as creditworthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant, and/or based upon funds availability options we may offer to you in connection with the Service. You acknowledge and agree that no funds availability option we offer constitutes a promise or guarantee that check funds will be finally collected from the drawee institution and/or finally paid to you. In any event, we reserve a right of chargeback to your Account in the event of dishonor or nonpayment by the drawee institution, and we reserve the right to chargeback all applicable fees in the event of such dishonor or nonpayment and/or any resulting chargeback (including, but not limited to, returned deposit item fees and overdraft fees). For purposes of this Service, the term "Business Day" means Monday, Tuesday, Wednesday, Thursday or Friday, except when those days are holidays or days on which we may be closed due to emergency conditions. Check images received by us before 3:00 p.m. Central Standard Time on a Business Day will be processed on the same day. Check images received by us after 3:00 p.m. Central Standard Time will be processed on the next Business Day.

**Contingency Plan**

The RDC Service is provided by us to you as a convenience. Because the Service could be unavailable from time to time for various reasons, you should not rely on the Service as the sole means of depositing checks to your Account. If you wish to deposit any check to your Account and you are unable to transmit the image of the check to us through the Service or are unable to use the Service in compliance with the terms of this Agreement for any reason (including, without limitation, reasons related to communications, equipment or software outages, interruptions or failures), you acknowledge and agree that you are solely responsible for using alternative available means of depositing the check to your Account, such as depositing the check in person at any Credit Union branch location or through any Credit Union ATM. Such alternative means will be governed by the terms and conditions of our Deposit Account Agreement and not by the terms of this Agreement.

**Errors**

You agree to notify us immediately of any suspected errors regarding your use of the Service. You may notify us by calling (225) 819- 2178 or (866) 819-2178 or writing us at Neighbors Federal Credit Union, P.O. Box 2831, Baton Rouge, LA 70821. Any transactions made through the Service will be reflected on your monthly account statement. You understand and agree that you are required to notify us of any error relating to use of the Service by no later than sixty (60) calendar days after the date of the monthly account statement on which the allegedly erroneous transaction appears or should have appeared. You are responsible for any errors that you fail to bring to our attention within such time period.

**Your Representations and Warranties to Us; Indemnification**

Each time you use the Service to transmit any check image to us, you represent and warrant to us that: (a) the check is not a Prohibited Check; (b) you are entitled to enforce the check; (c) all signatures on the front and back of the check are authentic and authorized; (d) the check is not a counterfeit item; (e) the check has not been altered; (f) the check is not subject to a defense or claim in recoupment of any party that can be asserted against you; (g) you have no knowledge of any insolvency proceeding commenced with respect to you or the drawer of the check; (h) the check, in the event of any dishonor or nonpayment by the drawee, is enforceable against both you and the drawer of the check; (i) the check image transmitted by you to us contains an accurate representation of the front and the back of the check and otherwise complies with all the requirements of the Service (including, but not limited to, any endorsement requirements); (j) you will neither create nor transmit through the Service any duplicate image of the check, nor will you deposit or otherwise negotiate the original check; (k) no person or entity will be asked to make payment on the check more than once; (l) neither we nor any subsequent transferees of the check or its image will sustain a loss as the result of the fact that an image of the check, instead of the original check, was accepted by us through the Service, presented for payment, or returned; (m) the image of the check contains no computer viruses or other harmful, intrusive, or invasive codes; (n) all information you have provided to us in connection with the Service and the transaction is complete, true, accurate, and current;

and (o) the transaction otherwise complies in all respects with your duties, obligations, and agreements under this Agreement. YOU AGREE TO INDEMNIFY US AND TO HOLD US HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, COSTS, SUITS, DAMAGES, CLAIMS, LIABILITIES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES) ARISING FROM OR RELATED IN ANY WAY TO YOUR BREACH OF THE FOREGOING REPRESENTATIONS AND WARRANTIES, YOUR USE OF THE SERVICE, AND/OR OUR PROVISION OF THE SERVICE TO YOU. YOUR AGREEMENT TO INDEMNIFY US AND HOLD US HARMLESS WILL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON.

### **Storage of Original Checks**

After you transmit any check image to us and receive confirmation from us that we have received the image, you agree to securely store the original check for a period of thirty (30) days ("Check Retention Period"). During the Check Retention Period, you agree to take appropriate measures to ensure that (a) only authorized persons will have access to the check; (b) the information contained on the check will not be improperly disclosed; and (c) the check will not be duplicated or negotiated in any form. Promptly after the expiration of the Check Retention Period, you agree to destroy the original check, mark it "VOID", or otherwise render it incapable of further transmission, deposit, negotiation or presentment. During any time the original check or a copy or image thereof is available to you or in your possession, you agree to furnish it to us upon request.

### **Transaction Limits**

We may from time to time impose or change limits on your use of the Service, including but not limited to, limits on the dollar amount and/or the number of checks you may transmit using the Service. We may accept or reject any transaction you attempt in excess of these limits in our sole discretion.

### **Presentment and Collection**

The manner in which checks and images transmitted through the Service are cleared, presented for payment and collected shall be in our sole discretion subject to the Deposit Account Agreement governing your Account.

### **Disclaimer of Warranties by Us**

YOU AGREE YOUR USE OF THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR OWN 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 THE SERVICES (I) WILL MEET YOUR REQUIREMENTS, (II) WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE, (III) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICES 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 THE SERVICES, 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. WARNING: THIS SERVICE SHOULD NOT BE USED WHILE YOU ARE OPERATING A MOTOR VEHICLE.

**PC/Mobile Device Specifications**

In order to use the Services, your PC or wireless or mobile device must meet current minimum technical specifications. You may refer to the Online Banking section of our website ([www.neighborsfcu.org](http://www.neighborsfcu.org)) for current information on required hardware, software, and other equipment. We do not guarantee the compatibility of the Services with all modem types, mobile devices, computer systems, internet browsers, hardware and/or software. You are responsible for obtaining and properly installing and maintaining all telephone equipment and services, wireless services, internet connection services, computer hardware and software, and all necessary upgrades thereto, and all other equipment necessary for you to access and use the Services.

**Updated Contact Information**

You agree to notify us immediately if you change your residential/ mailing address, your telephone number or email address, as your email address is where we will send notification of receipt of RDC items. You authorize us to send information and inquiries to the email address we have on file for your Account.

**Cancellation**

You may cancel your participation in the RDC Service by calling us at (225) 819-2178 or (866) 819-2178. We reserve the right to change or cancel the RDC Service at any time without notice to you. We may also suspend your access to the RDC Service at any time without notice and for any reason, including but not limited to, your non-use of the Service.

**Relationship to Other Agreements**

You agree that when you use the RDC Service, you will remain subject to the terms and conditions of all your existing agreements with us or any service provider of yours, including service carriers or providers (e.g. AT&T, Verizon, Sprint, T-Mobile, etc), and that this Agreement does not amend or supersede any of those agreements. You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of the RDC Service (for example, your mobile service carrier or provider may impose data usage charges for your use of or interaction with the RDC Service, including while downloading the software, or other use of your mobile device when using the software or other products and

services provided by the RDC Service), and you agree to be solely responsible for all such fees, limitations and restrictions.

**Service Charges**

All charges associated with the RDC Service are disclosed in our Fee Schedule. You agree to pay related account transaction fees and charges in accordance with our current Fee Schedule, as amended from time to time. You authorize us to automatically charge your Account for all such fees incurred in connection with the RDC Service.