

Dakotaland Federal Credit Union
MOBILE DEPOSIT CAPTURE SERVICES DISCLOSURE AND AGREEMENT

Effective: May 24, 2023

This Mobile Deposit Capture Services Disclosure and Agreement (this "Agreement") governs the mobile and/or remote deposit capture services (the "Services") that Dakotaland Federal Credit Union ("DFCU," "us," "our," "we") may provide to you ("you," "your"). Other agreements you have entered into with DFCU, including your DFCU Membership Agreement and Disclosures and Online Banking Agreement, as amended from time to time, (collectively "Account Agreement") are hereby incorporated into and made a part of this Agreement. In the event of a discrepancy between this Agreement and the Account Agreement, this Agreement will control to the extent of such conflict. Account" shall mean your checking, investment, savings, and loan accounts accessible through the Services.

By enrolling to or using the Services you agree to the terms and conditions in this Agreement and (after their effective date) any changes or amendments to such terms and conditions as they apply to your use of the Services. If you do not agree with the terms and conditions of this Agreement, you may not use Services.

1. Services. Following your acceptance of this Agreement, DFCU will provide you access to the Services subject to the terms and conditions contained herein (and your Account Agreement). Generally, subject to this Agreement, the Services will enable you to remotely deposit paper checks to your Account via a mobile device by electronically transmitting a digital image of the paper checks to DFCU for deposit. Upon receipt of the digital image, DFCU will review the image to determine if the image is acceptable, in DFCU's sole discretion. You understand and agree that receipt of an image does not occur until after DFCU notifies you of receipt of the image via email notification. You understand that, in the event you receive a notification from DFCU confirming receipt of an image, such notification does not mean that the image is acceptable and/or contains no errors. You understand that you are responsible for any information you transmit to DFCU. DFCU is not responsible for any image that DFCU does not receive. If DFCU accepts the image, DFCU will process the image by preparing a "substitute check" or clearing the item as an image. Notwithstanding anything to the contrary, DFCU reserves the right, within its sole and absolute discretion, to accept or reject any item for mobile deposit into your Account. You understand that any amount credited to your Account for items deposited using the Services is a provisional credit and you agree to indemnify DFCU against any loss DFCU suffers because of DFCU's acceptance of the remotely deposited check.

You agree that you 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.

You agree that you are responsible for obtaining and maintaining, at your expense, compatible hardware and software as may be specified by DFCU from time to time. DFCU 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.

Guarantee Specific to Deposits Received for Credit to a Consumer or Business Account: Your use of the Services for the purpose of depositing to a consumer or business Account constitutes your understanding and guarantee ("Guarantee") that you may be personally liable for any expenses DFCU incurs in attempting to obtain final payment for the item in question, outside of the routine costs associated with item processing, in the event of a default by your and/or the business. This includes but is not limited to recovery of the amount credited in the event of non-payment, collection costs and attorney's fees as applicable, as well as any and all costs associated with DFCU enforcing this Guarantee. This Guarantee shall benefit DFCU and its successors and assigns.

2. Fees. All applicable fee schedules published by DFCU from time to time will apply to the Services.

3. Compliance with Law. You agree to use the products and Service for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of the business if applicable. 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. You promise to indemnify and hold DFCU 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 your Account and this Agreement.

4. Check Requirements. Any image of a check that you transmit to DFCU must accurately and legibly provide all the information on the front and back of the check at the time presented to DFCU by the drawer. Prior to capturing the

original check, you will endorse the back of the original check. **Your endorsement will include your signature and the words "For Mobile Deposit at DFCU Only."** The image of the check transmitted to DFCU 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. Only the 1-1/2 inch endorsement space provided on the back of the check on the left edge (when it is facing you) can be used by you for endorsements or any other markings. 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. DFCU reserves the right to reject any check image that is not clear, skewed, or that is suspicious in any manner without liability to you.

5. Rejection of Deposit. DFCU is not liable for any service or late charges levied against you due to DFCU's rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your Account due to an item being returned.

6. Items Returned Unpaid. A notice will be sent to you of transactions DFCU is unable to process because of returned items. With respect to any item that you transmit to DFCU for remote deposit that DFCU credits to your Account, in the event such item is dishonored, you authorize DFCU to debit the amount of such item from your Account.

7. Email Address Updates. You agree to notify DFCU immediately if you change your email address, as this is the email address where DFCU will send you notification of receipt of remote deposit items or communicate to you regarding any remote deposit items, if necessary.

8. Unavailability of Services. You understand and agree that the Services may at times be temporarily unavailable due to DFCU's system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event that the Services are unavailable, you acknowledge that you can deposit an original check at DFCU branches or by mailing the original check to DFCU at: 1371 Dakota Ave S, Huron, SD 57350. It is your sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by DFCU. However, DFCU will provide you email notification of items that are rejected by the next business day following rejection.

9. Business Days and Hours. DFCU's business days and hours are Monday through Friday, 8:00 am – 5:00 pm, excluding Federal holidays.

10. Funds Availability. You understand and agree that with regard to the availability of deposits made using the Services, such funds will be available as follows:

- It is the general policy of DFCU to make funds that you deposit into your Account via the Services available within one (1) business day of receipt, however, additional delays may occur on a case-by-case basis. During the delay, you may not withdraw the funds in cash and DFCU will not use the funds to pay checks that you have written. A deposit is considered received when it is accepted at one of our branch offices with all appropriate endorsements.
- Deposits received and confirmed before 4:30 p.m. CST on a business day are treated as occurring that business day and will be deposited to my account that business day.
- Deposits received and confirmed after 4:30 p.m. CST on a business day, or on any day that is not a business day, are treated as occurring the next business day and will be deposited to my account the next business day.
- A deposit accepted by DFCU while our data processing system is not online will be considered received when the transaction is posted in the DFCU records.

In addition, funds you deposit by check via the Services may be delayed for a longer period as DFCU may deem reasonable under the circumstances, including but not limited to the following:

- We believe a check you deposit will not be paid
- You deposit checks totaling more than \$5,000 on any one day
- You re-deposit a check that has been returned unpaid
- You have overdrawn your Account repeatedly in the last six months
- You are a new member, and your Account has been open less than 30 days
- There is an emergency, such as failure of communications or computer equipment

We will notify you if we delay your ability to withdraw funds for any reason, and we will tell you when the funds will be

available. They will generally be available within nine (9) business days after the day of your deposit.

11. Internal Controls and Audit. You understand that DFCU maintains a system of internal security processes and controls and you agree to adhere to the internal controls as described in this Agreement and Account Agreement. Furthermore, you agree to immediately comply with any requests for information or audit assistance to the extent requested by DFCU.

12. Accountholder's Warranties. You make the following warranties and representations with respect to each image of an original check that you transmit to DFCU utilizing the Services:

- a) Each image of a check transmitted to DFCU 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.
- b) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- c) You will not deposit or otherwise endorse 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.
- d) Other than the digital image of an original check that you remotely deposit through the Services, there are no other duplicate images of the original check.
- e) You 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.
- f) You are 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.
- g) You have not knowingly failed to communicate any material information to DFCU.
- h) You have possession of each original check deposited using the Services and no party will submit the original check for payment.
- i) Files and images transmitted to DFCU will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.
- j) You are not engaged in, or affiliated with, any businesses, products or methods of selling other than those disclosed by you to DFCU. You are not in the business of cashing checks.
- k) You will exercise due care in preserving the confidentiality of any user identification and password and will further prevent the use of the Services by unauthorized persons. You assume full responsibility for the consequences of any missing or unauthorized use of or access to the Services or disclosure of any confidential information or instructions by DFCU.

13. Storage of Original Checks. Upon receipt of a confirmation from DFCU, you must write "VOID" on the original check and securely store the original check for a period of at least 90 days after transmission to DFCU. You agree to never represent the item. If you are using the Service to deposit items into an account in the name of a business to which you are a party, you understand this means the original check(s) must be accessible [under dual control recommended] by your authorized personnel. After such period expires, you will destroy the original check in a manner that will assure that the check cannot be reconstituted. You understand and agree that you are responsible for any loss caused by my failure to secure the original checks. Upon request from DFCU, you will promptly (within 5 business days) provide any retained original check (if the original check is no longer in existence, a sufficient copy of the front and back of the original check) to DFCU to aid in the clearing and collection process to resolve claims by third parties.

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

15. Accountholder's Indemnification Obligation. You understand and agree that you are required to indemnify DFCU and hold DFCU 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 Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

16. In Case of Errors. In the event that you believe there has been an error with respect to any original check or image thereof transmitted to DFCU for deposit or a breach of this Agreement, you will immediately contact DFCU regarding such error or breach via telephone at 800-440-6573, or e-mail at helpdesk@dakotalandfcu.com.

17. Periodic Statement. Any remote deposits made through the Services will be reflected on your monthly account statement. You understand and agree that you are required to notify you of any error relating to images transmitted using the Services within the stated time periods found in the Account Agreement. You are responsible for any errors that you fail to bring to DFCU's attention within such time period.

18. Limitations on Frequency and Dollar Amount. You understand and agree that you cannot exceed the limitations on frequency and dollar amounts of mobile deposits that may be set forth by DFCU and that DFCU may change these limits from time to time without notice.

19. Unacceptable Deposits. You understand and agree that you are not permitted to deposit the following items using the Services:

- a) Any item drawn on your Account or your affiliate's account.
- b) Any item that is stamped with a "non-negotiable" watermark.
- c) Any item that contains evidence of alteration to the information on the check.
- d) Any item issued by a financial institution in a foreign country or check not payable in United States currency.
- e) Any item that is incomplete.
- f) Any item that is "stale dated" or "postdated" meaning that it is dated more than 6 months prior to the date of deposit.
- g) Savings Bonds; Traveler's Checks; Money Orders.
- h) Any third-party check, or item(s) made payable to someone other than you or other authorized signers on the Account.
- i) Any item marked "without recourse" or with another restrictive endorsement.
- j) Checks that are remotely created checks, as defined in Regulation CC to mean a check that is not created by the paying bank and that does not bear a signature applied by the person on whose account the check is drawn.

20. Limitation of Liability. YOU UNDERSTAND AND AGREE THAT DFCU IS NOT RESPONSIBLE FOR ANY INDIRECT, CONSEQUENTIAL, PUNITIVE, OR SPECIAL DAMAGES OR DAMAGES ATTRIBUTABLE TO DFCU BREACH OF THIS AGREEMENT. YOU ACKNOWLEDGE AND AGREE THAT USE OF SERVICE SHALL BE AT YOUR SOLE RISK, AND THAT SERVICE IS PROVIDED BY DFCU ON AN "AS IS" BASIS.

21. Warranties. YOU UNDERSTAND THAT DFCU DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. DFCU IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR DFCU'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

22. Modification of Services; Change in Terms. DFCU, in its sole discretion, may suspend, terminate, modify, change, and/or add or remove features and functionality of the Services at any time. DFCU will use reasonable efforts to notify you of such changes in advance. DFCU may change the terms and charges for the Services indicated in this Agreement by notifying you of such change in writing and may amend, modify, add to, or delete from this Agreement from time to time. Your use of the Services after receipt of notification of any change to this Agreement by DFCU constitutes your acceptance of the change.

23. Termination of the Services. You may, by written request to DFCU, terminate the Services provided for in this Agreement. DFCU may terminate the Services and/or your use thereof at any time without notice. In the event of termination of the Services, you will remain liable under this Agreement for all transactions performed on your Account.

24. Relationship to Other Disclosures. The information in this Agreement 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.

25. Governing Law. You understand and agree that this 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 Dakota, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. You also agree to submit to the personal jurisdiction of the courts of the state of South Dakota.

26. Confidentiality. You acknowledge and agree that confidential data relating to DFCU's Services, marketing,

strategies, business operations and business systems (collectively, "Confidential Information") may come into your possession in connection with this Agreement. You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of DFCU's Confidential Information.

27. 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.

28. Relationship. This 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.