

INTERRA CREDIT UNION

ONLINE DEPOSIT SERVICE DISCLOSURE AND AGREEMENT

Effective: February 17, 2010

In this Disclosure and Agreement, the words "Member", "I," "me," "my," "us" and "our" mean the individual or business that applied for and/or uses any of the remote deposit capture services ("Online Deposit" or the "Services") described in this Disclosure and Agreement. The words "you," "your," and "yours" mean Interra Credit Union. My Application for use of the Online Deposit Services, your notification of approval of my application ("Approval Email"), and my Interra *Membership and Account Services Agreement and Disclosures and Online Banking Agreement* ("Membership Agreements") to which I have agreed previously, are hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement, my Application, any and all Emails I receive specifically regarding my use of the Services, or the Membership Agreements, this Disclosure and Agreement ("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 at Exhibit "A," which is attached hereto and incorporated by this reference. 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 the Deposit History feature. 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.

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.

Guarantee Specific to Deposits Received for Credit to a Business Account: My use of the Services for the purpose of depositing to a business account constitutes my understanding and agreement that I may be personally liable for any expenses Interra 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 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 Interra enforcing this Guarantee. This Guarantee shall benefit Interra and its successors and assigns.

Compliance with Law. I 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 my business if applicable. 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 scanning the original check, I will indorse the back of the original check. My endorsement will include my

signature and the following information: The words "For deposit only at Interra Credit Union," the account number to which the check is being deposited, the web site address www.Interracu.com and today's date (mm/dd/yyyy). The scanned 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.

Processing of Items. Images of Items transmitted by Member are processed as described under the *Use of the Services* section. In addition, Items transmitted by the Member and received by Interra Credit Union or its subcontractors by 3:00 p.m. Eastern Time Monday through Friday, shall be credited to the Member's applicable account on the same Business Day. Items received by Interra Credit Union after 3:00 p.m. Eastern Time on any Business Day shall be credited to the Member's applicable account on the next successive Business Day. Funds from Items deposited under the terms of this Agreement will be available to the Member pursuant to Interra Credit Union's Funds Availability Policy.

Rejection of Deposit. 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. 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 remote 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 Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Services are unavailable, I acknowledge that I can deposit an original check at your branches or through your ATMs or by mailing the original check to you at Interra Credit Union, PO Box 727, Goshen, IN 46527. 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 Day and Availability Disclosure. Your business days are Monday through Friday, except holidays. Your business hours are 8:30 a.m. to 5:00 p.m., Eastern Standard Time, each business day.

Funds Availability. I understand and agree that, for purposes of deposits made using the Services, the place of deposit is Goshen, IN. With regard to the availability of deposits made using the Services, such funds will be available as set forth in the "Funds Availability Policy," a copy of which I received when I opened the membership and which is also available online.

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 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.
- 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. I understand this means the original check(s) must be accessible only by me or if I am using the Service to deposit items into an account in the name of a Business to which I am a party I understand this means the original check(s) must be accessible only by my authorized personnel. After a 60-day 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.

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 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: 574-534-2506 or e-mail you at onlinedeposit@interracu.com

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. Interra Online Deposit is available at no cost if you process up to ten items per calendar month. If you exceed ten items, you will be assessed a \$25.00 charge for that month, and a .03 per item fee over 10 items, deducted on the first day of the following month. Other fees that may be applicable to your account are set forth in the Credit Union's Fee Schedule.

Warranties. I UNDERSTAND THAT THE CREDIT UNION 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. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE CREDIT UNION'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.

Change in Terms. You may change the terms and charges for the Services indicated in this Disclosure and Agreement by notifying me of such change and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. My use of the Services after receipt of notification of any change by you constitutes my acceptance of the change.

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 notice. In the event of termination of the Services, I will remain liable for all transactions performed on my Account.

You may also deny, suspend or revoke access to the Services immediately, in whole or in part, in your sole discretion, without notice, if you believe I am in breach of this Agreement, am otherwise using or accessing the Services inconsistent with the terms and conditions hereof, or if you feel it is necessary to maintain the security of the system. Further, Interra Credit Union or its subcontractor shall have the right to suspend the Service immediately in the event of an emergency.

Notices. Member agrees that any notices/notifications required or permitted under this Agreement may be given electronically or by regular mail.

Periodic Statement. Any remote deposits made through the Services will be reflected on my monthly 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 sixty (60) days after I receive the monthly periodic statement or notice of statement availability 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) U.S. Savings Bonds
- 2) Any item drawn on my account or my affiliate's account.
- 3) Any item that is stamped with a "non-negotiable" watermark.
- 4) Any item that contains evidence of alteration to the information on the check.
- 5) Any item issued by a financial institution in a foreign country or not payable in US Dollars.
- 6) Any item that is incomplete. This includes any item that does not include all of the required information as described in Exhibit "A."
- 7) Any item that is "stale dated" or "post dated."

- 8) Any third party check, i.e., any item that is made payable to another party and then endorsed to me by such party.

Changes in Financial Circumstances. I understand and agree that I must inform you immediately in the event a material change in my financial circumstances as or in any of the information provided in my Application including any supporting financial information. I agree to provide you any financial records you reasonably request to determine my financial status during the term of this Disclosure and Agreement.

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 your 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.

Relationship to Other Disclosures. The information in this Disclosure and 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.

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 Indiana, 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 Indiana.

EXHIBIT "A"

INSTRUCTIONS FOR INTERRA ONLINE DEPOSIT SERVICES

Interra Online Deposit Registration:

To begin using this great service, you'll first need to register online. Here's how:

- Register online by logging into Interra Online banking with your user name and password.
- Select the Online Deposit link in the navigation bar, then select "Interra Online Deposits". (Please note you need a valid email address on Interra Online banking in order to use Interra Online Deposit. Not sure? Check Other Options – Add/Change Email Address)
- When you see the next screen select "continue".
- Once you've agreed to the *Interra Credit Union Online Deposit Service Disclosure and Agreement*, please allow up to **2 business days** to process your registration.

Using Interra Online Deposit:

Once approved, you can start scanning your checks in **4 Easy Steps**:

1. Make sure the back of the check is endorsed with:
 - The words "For deposit only at Interra Credit Union"
 - The account number to which the check is being deposited
 - The Web site address www.interracu.com
 - Today's date (mm/dd/yyyy)
 - Your signatureYou may use an endorsement stamp in lieu of a written endorsement.
2. Log on to Interra Online Banking and select "Online Deposits".
3. Choose the account you would like the check(s) to be deposited to (if using Online Deposit for the first time, see Online Deposit Registration above.)
4. Use the "Choose Scanner" button to choose the appropriate scanner*. Enter the total amount of the check(s) you'd like to deposit. Then, using your own scanner, simply scan the front and back of the check and click the submit button to continue to the Deposit Review step. An email will be sent to you once your deposit has been processed. Please store your deposited items in a safe place and destroy the original check after a period of 60 days.

*Please note that your scanner will need to have TWAIN driver support. Please select the "Help" button within Interra Online Deposit for more information.

That's it – your check has been deposited without you having to leave the comfort of your own home! The image of your deposited check will be available in Interra Online Deposit account history for 18 months. Please verify your deposits via Interra Online banking history to ensure there are no processing issues. Interra Credit Union must be notified in writing about any issues within the allowed time-frame listed in your Interra Online Deposit Services Disclosure and Agreement document. You will be notified via email of any change to deposits for any reason within 2 business days.

Minimum Requirements to Utilize Interra Online Deposit:

- Windows XP with Internet Explorer 6+, or Vista with Internet Explorer 7+
- MAC OS X 10.5 with Safari 3+ or Firefox 3

- High Speed Internet connection
- TWAIN Compliant Scanner

Recommended Requirements:

- Windows XP or Vista with Internet Explorer 8 or Firefox 3
- MAC OS 10.5 with Safari 3.1 or Firefox 3

Processing Time Frames:

Business Day and Deposit Availability: Business days are Monday through Friday, except holidays. Business hours of Interra Online Deposit are 8:30 a.m. to 5:00 p.m., Monday through Friday Eastern Standard Time.

Checks submitted for deposit, and received by Interra, prior to 3:00 pm Eastern Time, Monday through Friday, will be credited to your account on the same Business Day. Items received by Interra after 3:00 pm EST on any Business Day will be credited to your account on the next business day.

Benefits:

- You no longer need to fill out a deposit slip or make photocopies of the checks you receive
- You can easily save check images to your computer
- If you need a copy of your deposited checks, you can find them right in Interra Online Deposit (images are kept for 18 months)