

Remote Deposit Agreement



Master Account: _____

This *Remote Deposit Agreement* ("**Agreement**") is made and entered into on the _____ day of _____, 2023 between _____ ("**Member Business**") with its principal place of business at _____

And California Credit Union ("CREDIT UNION") with its principal place of business at 5898 Copley Drive, San Diego, California.

This Agreement governs Member Business's use of CREDIT UNION's Remote Deposit Service ("**Remote Deposit**"). CREDIT UNION offers Remote Deposit under this Agreement only in association with one or more deposit accounts maintained by Member Business at CREDIT UNION. The terms, provisions and conditions of this Agreement do not replace, but supplement, any and all other agreements (whether now or in the future) that govern any account maintained by Member Business at CREDIT UNION (whether now or in the future) or any other CREDIT UNION services utilized by Member Business (whether now or in the future).

Terms and Conditions

- 1. General Description of Remote Deposit.** Subject to the terms, provisions, and conditions of this Agreement, CREDIT UNION shall provide Remote Deposit to Member Business, which allows Member Business to make deposits to Member Business's deposit accounts (each such deposit account an "**Account**" and, collectively, the "**Accounts**") from Member Business's office by scanning checks on a desktop scanner and delivering the images electronically and information required hereby to CREDIT UNION or CREDIT UNION's designated processor (a "**Processor**"). The terms CREDIT UNION and Processor may be used interchangeably when used in relation to any services performed by a Processor on behalf of CREDIT UNION including, but not limited to, the receipt and processing of images and check data and any notices related thereto. The scanner must capture an image of the front and back of each check (as herein defined) to be deposited (each an "**Image**" and, if more than one, "**Images**") in accordance with the procedures, must read and capture the magnetic ink character recognition ("**MICR**") line on each check and must read and capture all such other data and information as is required by this Agreement. After capture of the Images, the MICR line on each check and all other required data and information from each check, Member Business will transmit one or more Deposits containing the Images, the MICR line from each check and all other required data and information from or pertaining to all checks and other required information (each such file a "**Deposit**" and, if more than one, "**Deposits**") to CREDIT UNION or Processor via the Internet. Subject to compliance with the terms, provisions and conditions of, and as provided in, this Agreement, CREDIT UNION will provisionally credit the Account or Accounts designated by Member Business for the amount of the deposit(s) to which the Deposit(s) pertains on the day of receipt of the Deposit(s), provided received by cut-off time and enter the images of the checks into the collection process, in accordance with the provisions of CREDIT UNION's then current *Business Account Agreement and Disclosure Booklet* pertaining to the Account(s) into which the deposit is to be made (the "**Deposit Agreement**") and this Agreement. Member Business acknowledges and agrees that CREDIT UNION may discontinue, and/or change the terms of, Remote Deposit or any related content, features, products or services associated therewith, at any time without notice or liability to Member Business or any third party. Execution of the Agreement is Subject to the approval by CREDIT UNION and agreement to the limits established for Deposit. By executing the agreement you agree and authorize CREDIT UNION to evaluate the credit-worthiness of the account now or at any time while the account is open and relay information regarding this business account(s) to credit reporting agencies.

2. Hardware and Software. Member Business understands it must, and hereby agrees to, at its sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of Remote Deposit and that fulfills Member Business's obligation to obtain, and maintain, secure access to the Internet. Member Business understands and agrees it may also incur, and shall pay, any and all expenses related to the use of Remote Deposit, including, but not limited to, telephone service or Internet service charges. Member Business will access the internet to transmit deposit through a site hosted by Ensenta Corporation (**Ensenta**) with the permission of CREDIT UNION and under the terms of CREDIT UNION's agreement with Ensenta. CREDIT UNION will be responsible for compliance, terms and charges with the Ensenta Agreement. CREDIT UNION will grant permission and authorize access to the internet site contingent upon Member Business's compliance with the terms of the Agreement with Ensenta and all of the terms of this Remote Deposit Agreement. CREDIT UNION has the right to deny access to the Ensenta hosted internet site, as further defined in Section 36 of this Agreement. Member Business is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of Remote Deposit. Member Business understands and agrees that it is solely responsible for the operation, maintenance, and updating of all equipment, software, and services used in connection with Remote Deposit, including scanner ink cartridges and the cost thereof, and Member Business hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades, and replacements, and such performance shall be rendered by properly trained personnel, whether they are employees of Member Business or third-party employees. CREDIT UNION is not responsible for, and Member Business hereby releases CREDIT UNION from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. CREDIT UNION is not responsible for, and Member Business hereby releases CREDIT UNION from any and all claims or damages resulting from, or related to, defects in or malfunctions of Member Business's computer hardware or software, or failures of or interruptions in any electrical, telephone, or Internet services. CREDIT UNION hereby advises Member Business, and Member Business hereby agrees, to scan its computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses.

In connection with its use of Remote Deposit, Member Business shall only use the scanners and drivers provided by CREDIT UNION or such other hardware as is approved in writing, in advance by CREDIT UNION and shall only use such software as is approved in advance by CREDIT UNION. Upon discontinuance of Remote Deposit by either Member Business or CREDIT UNION, Member Business agrees to return all property of CREDIT UNION, not limited to, but including the scanner(s), within thirty (30) days in working condition.

If a scanner failure occurs, a replacement unit will be sent directly to the Member Business along with a return authorization for the broken/malfunctioning scanner. It is then the Member Business's responsibility to ship the defective scanner as directed by CREDIT UNION. Failure to return the broken/malfunctioning scanner within thirty (30) days of its replacement will result in a direct charge for the equipment to the Member Business.

In the event of loss or damage of any kind to the scanner(s), or any part thereof, the Member Business shall make payment to CREDIT UNION in an amount contained in an invoice submitted by CREDIT UNION to the Member Business ("Invoice Amount"). Payment shall be due within thirty (30) calendar days of receipt of invoice from CREDIT UNION. Failure to make such payment shall be a default under this agreement.

Member Business may not use this software, hardware, or documentation in any other way than as expressly intended, or without prior written authorization from CREDIT UNION.

3. Checks Deposited and Settlement Reserve. Member Business hereby agrees that it will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC ("**Reg CC**"). Member Business agrees that the image of the check that is transmitted to CREDIT UNION (each

such check and other item a “**Check**” and, if more than one, “**Checks**”) shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text). Member Business further agrees that it will not remotely deposit any checks or other items that: (a) are payable to any person or entity other than Member Business, (b) are in violation of any law, rule or regulation, (c) Member Business knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Check is drawn, (d) have been previously endorsed by a bank and are either “substitute checks” (as defined in Reg CC or other applicable federal law or regulation) or “image replacement documents” that purport to be substitute checks, (e) are drawn on financial institutions that are located outside of the United States or Territories of the United States, (f) is a Remotely Created Check, (g) which are not acceptable to CREDIT UNION for deposit into a deposit account as provided in the Deposit Agreement or (h) are stale dated items. If Member Business deposits a Prohibited Check, Member Business agrees to indemnify and reimburse CREDIT UNION for, and hold CREDIT UNION harmless from and against, any and all losses, costs and expenses (including reasonable attorneys fees) CREDIT UNION may incur associated with any warranty, indemnity or other claim related thereto. Furthermore, if, after first having obtained CREDIT UNION’s written consent to do so, Member Business provides CREDIT UNION with an electronic representation of a substitute check for deposit into an Account instead of an original Check, Member Business agrees to indemnify and reimburse CREDIT UNION for, and hold CREDIT UNION harmless from and against, any and all losses, costs and expenses (including reasonable attorneys fees) CREDIT UNION incurs because any such substitute check resulting from such electronic representation does not meet applicable substitute check standards and/or causes duplicate payments.

Member Business may be required to maintain a reserve (“Settlement Reserve”) of an amount to be solely determined by CREDIT UNION. Member Business acknowledges and agrees that any Settlement Reserve will be deposited in a CREDIT UNION account for exclusive use by CREDIT UNION for purposes of offsetting any of Member Business’s obligations under this Agreement. Member Business grants CREDIT UNION a security interest in any Settlement Reserve to enable CREDIT UNION to enforce any obligation owed by Member Business under this Agreement without notice or demand to Member Business. Member Business’s obligation to maintain a Settlement Reserve shall survive the termination of this Agreement, with such obligation lasting until all of Member Business’s obligations under this Agreement have been fully offset.

4. **Security Administrator Responsibilities.** Upon completion of the Remote Deposit Agreement and Application, the Security Administrator identified and authorized by the corporate signers will enroll them self and/or any additional Users according to the Procedures below. Once the Security Administrator and/or Users are approved in our system and a confirmation email is received, the Security Administrator and User(s) will be able to login with the credentials previously established. The Security Administrator will be responsible for notifying the CREDIT UNION of any additional User(s) which should be approved or if any User(s) require limited access, privileges, or denial of access per Exhibit A attached. The Member Business and Security Administrator are responsible and liable for the security of the User Identification and Access Codes. CREDIT UNION will require immediate notification when a Security Administrator is changed along with a corporate authorization changing the Security Administrator.
5. **Procedures.**

A security procedure shall be established upon acceptance of this Remote Deposit Agreement. You agree to use the Security Procedure when you deliver Deposits to us. The purpose of the Security Procedure is to verify the authenticity of Deposits delivered to us in your name and not to detect errors in the transmission or content of Entries. You represent and warrant each time you use Remote Deposit that, in view of your requirements, the Security Procedure is commercially reasonable and is a satisfactory method of verifying the authenticity of Deposits. You agree we may act on any Deposits, the authenticity of which we have verified through the use of the Security Procedure and you agree to be bound by such Entries whether or not they were in fact authorized. The security procedure will generally include the following:

- **Initial Log in.** For security purposes, the first time you enroll in the system you will be requested to authenticate your email and create your own username and password. After receiving approval, your account access will utilize the pre-determined username and password credentials for your first time log in.
- **Password.** Your password must be 7 to 20 characters long. It must be a combination of numbers and letters. Please memorize your Access Code and do not write it down or reveal it to any unauthorized persons. Your Access Code needs to be changed often.
- **Automatic lockout.** After three (3) sign-on failures, the system will automatically lock out your Internet banking accounts. You will then be unable to access Remote Deposit until you have contacted our Business Services Support Line by phone at 858-769-8000 during business hours on a business day.
- **Session Timeout.** The system will automatically sign you off after a 15-minute period of non-use.
- **Inactivity.** After thirty (30) days of inactivity (not logging in within a 30 day period) your access will be locked. You will then have to contact our Business Services Support Line by phone at 858-769-8000 during business hours on a business day.
- **Communication.** All communication and requests to us must be submitted via secured e-mail.
- **Other Security Issues.** Never leave your computer unattended when you are signed on. Sign off as soon as you are finished.

It is your obligation to provide timely correct Deposits and Entry information. We send Entries to the processor for settlement once Transmitted, provided we receive the Deposits and are able to authenticate by our **four (4) o'clock p.m.** processing deadlines on a Business Day. We reserve the right to change the schedule from time to time with or without such notice to you, including, but not limited to, holidays. We may treat Deposits that we receive after a deadline as if received on the next Business Day.

6. Scanning of Checks and Security Procedures. Member Business shall properly install and use all software and hardware required by this Agreement or otherwise required for, or related to, the use of Remote Deposit. Member Business (a) scan the front and back of each Check to be deposited and thereby capture the image of the front and back of each Check and capture the MICR encoding on, and any other required data from, each Check and (b) transmit the Deposit containing the images of, the MICR line from and all other required data and information from or pertaining to, such Checks and other information to CREDIT UNION or its Processor in accordance with the Procedures, a copy of which Procedures have either heretofore been, or are herewith, provided to Member Business by CREDIT UNION, and Member Business acknowledges receipt thereof. CREDIT UNION reserves the right to amend the Procedures, with or without prior notice to Member Business. CREDIT UNION may also provide Member Business with, or require Member Business to establish, a User Name, and password and other procedures (collectively, "**Security Procedures**") to access Remote Deposit. The specific Security Procedures will be described in the Procedures. Member Business agrees to, at all times, (a) comply with the Procedures, (b) safeguard the confidentiality and security of the Procedures, Security Procedures, and all other proprietary property or information CREDIT UNION provides to Member Business in connection with Remote Deposit and (c) notify CREDIT UNION immediately if Member Business has any reason to believe the security or confidentiality required by this provision has been or may be breached. Member Business acknowledges, understands, and agrees the Security Procedures are not designed for the detection of errors. CREDIT UNION is not, and will not be, obligated to detect errors by Member Business or others, even if CREDIT UNION takes certain actions from time to time to do so.
7. Transmission of Deposit. To ensure accuracy, Member Business shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the Deposit in accordance with the Procedures. Member Business may send multiple Deposits to CREDIT UNION or Processor throughout the day. The total dollar value of the Deposits sent by Member Business to CREDIT UNION on any day shall not exceed their deposit amount limit (the "**Deposit Limit**") assigned by CREDIT UNION. If the total dollar value of the Deposits sent by Member Business to CREDIT

UNION on any day exceeds the Deposit Limit, CREDIT UNION may, at its option, refuse to accept the Deposit that exceeds the Deposit Limit, or CREDIT UNION may accept and process the Deposit. The acceptance of a Remote Deposit that exceeds previously established limits does not infer or constitute acceptance of a new Deposit limit by Credit Union. To be eligible for processing on the day transmitted, Deposits must be received by CREDIT UNION no later than the cut-off time. To meet the cut-off time, the entire Deposit must be received by CREDIT UNION prior to the cut-off time, and the Deposit must successfully pass the edits for conformity with the technical requirements. For purposes of determining when a Deposit has been delivered and received, CREDIT UNION's records shall be determinative. A Deposit which is not balanced in accordance with the Procedures or which is received after the cut-off time shall be deemed to have been received on the business day following the business day on which the Deposit is actually received by CREDIT UNION. CREDIT UNION reserves the right to change the number of Deposits that may be transmitted in a day, the Deposit Limit and the cut-off time. All such changes shall be effective immediately and may be implemented prior to Member Business's receipt of notice thereof.

8. **Maintenance and Destruction of Original Check.** Member Business shall securely store all original Checks for a period of thirty (30) days after Member Business has received statement from CREDIT UNION that the Deposit containing the images of such Checks has been accepted (such period the "**Retention Period**"). During the Retention Period, Member Business shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, (b) the information contained on such Checks shall not be disclosed, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be deposited or negotiated in any form. Member Business shall destroy original Check's upon the expiration of the Retention Period applicable to such Checks. **Member Business will use their best efforts to ensure commercially reasonable methods of destruction to destroy original Checks after expiration of the Retention Period.** Member Business hereby indemnifies CREDIT UNION for, and holds CREDIT UNION harmless from and against, any and all claims, demands, actions, causes of action, losses and damages, of whatever nature or kind, and regardless of the theory upon which the same is (are) based, caused directly or indirectly by, arising out of, related to, in connection with or resulting wholly or partially from, the storage or destruction of original Checks by Member Business. Within the retention period, Member Business will promptly (but in all events within five (5) business days) provide any retained Check (or, if the Check is no longer in existence, a sufficient copy of the front and back of the Check) to CREDIT UNION as requested to aid in the clearing and collection process or to resolve claims by third parties with respect to any Check.
9. **Image and MICR Quality.** Each Deposit transmitted by Member Business to CREDIT UNION shall contain Images of the front and the back of the Checks scanned and remotely deposited by Member Business. Each Image of each Check shall be of such quality that all of the information can clearly be read and understood by sight review of such Image.

Each Image shall also meet all 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, clearing house, or association.

Member Business shall also capture and transmit to CREDIT UNION the full-field MICR encoding on each Check. In accordance with the Procedures, Member Business shall ensure that the following information is captured from the MICR line of each Check:

- a) the American Bankers Association routing transit number ("**RTN**");
- b) the number of the account on which the Check is drawn;
- c) when encoded, the amount of the Check; and
- d) when encoded, the serial number and the process control field of the Check.

10. Receipt of Deposit. Member Business agrees that Member Business shall be solely liable for, and CREDIT UNION shall not have any liability whatsoever to Member Business for, any Deposit or the Images or other information contained therein that are not received by CREDIT UNION or for any Deposit or the Images or other information contained therein that are intercepted or altered by an unauthorized third party. Member Business agrees that CREDIT UNION has no obligation to accept a Deposit and, therefore, may reject any Deposit or the Images or other information contained therein submitted by Member Business. Upon receipt of a Deposit submitted by Member Business, CREDIT UNION may examine such Deposit and the Images and other information contained therein to ensure that Member Business has complied with this Agreement and followed the Procedures. If CREDIT UNION determines that Member Business has not complied with this Agreement or followed the Procedures or if errors exist in the Images or other information contained in the Deposit, CREDIT UNION, in its sole discretion, may reject the Deposit. CREDIT UNION may credit Member Business's Account for the full amount of the deposit and make any necessary adjustments to the Account to correct any errors.

CREDIT UNION may, at its option, also perform a risk management analysis of one or more Deposits submitted by Member Business to detect potentially fraudulent Checks, and, in its sole discretion, CREDIT UNION may reject any such Deposit or the Images or other information contained therein. If after examination of a Deposit and the Images and other information contained therein, CREDIT UNION determines that Member Business has complied with this Agreement and processed and transmitted the Deposit in accordance herewith and with the Procedures, the Deposit is balanced and the Images meet the requirements of Section 7 of this Agreement, then CREDIT UNION shall accept the Deposit (an "**Accepted Deposit**") for deposit to Member Business's Account. Notwithstanding the fact that CREDIT UNION has accepted a Deposit, any credit made to Member Business's Account shall be provisional, and Member Business shall remain liable to CREDIT UNION for any errors, inaccuracies, breach of warranties, and any other loss sustained by, or claim made against CREDIT UNION.

11. Provisional Credit and Availability of Funds. Upon acceptance of the Deposit, CREDIT UNION shall grant Member Business's Account Provisional Credit (as herein defined) for the total amount of the Accepted Deposit, as applicable. As used herein, "Provisional Credit" means that the credit is made to Member Business's Account subject to final payment of the Checks and subject to the terms of the Deposit Agreement.
12. Laws, Rules and Regulations. Member Business agrees to comply with all existing and future operating procedures used by CREDIT UNION for processing of transactions. Member Business further agrees to comply with, and be bound by, all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars, and pronouncements affecting checks and drafts, including, but not limited to, all rules and procedural guidelines established by the Federal Trade Commission ("**FTC**"), the Board of Governors of the Federal Reserve, Electronic Check Clearing House Organization ("**ECCHO**") and any other clearing house or other organization in which CREDIT UNION is a member or to which rules CREDIT UNION has agreed to be bound. The Rules are incorporated herein by reference. These procedures, rules, and regulations (collectively the "Rules") and laws are incorporated herein by reference. In the event of conflict between the terms of this Agreement and the Rules, the Rules will control.
13. Collection of Checks. CREDIT UNION, in its sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee bank. CREDIT UNION, in its sole discretion, shall select the clearing agents used to collect and present the Images, and CREDIT UNION's selection of the clearing agents shall be considered to have been designated by Member Business. CREDIT UNION shall not be liable for the negligence of any clearing agent. Collection of Checks is also subject to the Rules and the terms of the Deposit Agreement.
14. Contingency Plan. Member Business agrees that, in the event Member Business is not able to capture, balance, process, produce, or transmit a Deposit to CREDIT UNION, or otherwise comply with the terms hereof or of the Procedures, for any reason, including, but not limited to, communications, equipment or software outages, interruptions or failures, Member Business will

transport the originals, via Mail Delivery or in person, of all Checks to the Relationship Officer, Business Services Department or branch office of CREDIT UNION prior to the established cutoff time and deposit original Checks with CREDIT UNION until such time that the outage, interruption or failure is identified and resolved. The deposit of original Checks at an office of CREDIT UNION or other designated depository institution shall be governed by the terms and conditions of the Deposit Agreement and not by the terms of this Agreement. Notwithstanding the foregoing, and to the extent applicable, Section 15 of this Agreement dealing with warranties shall apply to the deposit of original Checks.

- 15. Your Representations and Warranties.** Member Business represents, warrants, and covenants that: Member Business shall only deposit Checks that are authorized by this Agreement, the RULES, Procedures and the Deposit Agreement; Each Image transmitted by Member Business to CREDIT UNION contains an accurate representation of the front and back of each Check and complies with the requirements of this Agreement; All data and other information submitted by Member Business to CREDIT UNION, including, but not limited, to data contained in the MICR line of each Check is complete and accurate and complies with requirements of this Agreement; Member Business is not a consumer, and Remote Deposit shall be used for business purposes only; Member Business will not: (a) create duplicate Images of the Checks, (b) transmit a duplicate Image or Deposit to CREDIT UNION, or (c) deposit or otherwise negotiate the original of any Check of which an Image was created. Member Business further warrants that no subsequent transferee, including but not limited to CREDIT UNION, a collecting or returning bank, drawer, drawee, payee, or endorser will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic) of the Item(s); No Subsequent transferees of the Item(s), including but not limited to CREDIT UNION, a collecting or returning bank, drawer, drawee, payee, or endorser shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check; All information provided by Member Business to CREDIT UNION is true, complete, and accurate and properly reflects the business, financial condition and principal partners, owners or officers, of Member Business. Member Business is not engaged in, or affiliated with, any businesses, products, or methods of selling other than those disclosed by Member Business to CREDIT UNION; As to Authority and Legality; (a) The individuals signing this Agreement are authorized signers of the Member Business, and have been granted proper authority by this Organization to execute this Agreement on behalf of this Organization; (b) this Agreement is valid and enforceable against Member Business in accordance with its terms; and (c) the entry into, and performance of, this Agreement by Member Business will not violate any law, or conflict with any other agreement, to which Member Business is subject; There is no action, suit, or proceeding pending or, to Member Business's knowledge, threatened which, if decided adversely, would impair Member Business's ability to carry on its business substantially as now conducted or which would adversely affect Member Business's financial condition or operations. All Checks and business transactions of Member Business are, and will be, bona fide. All signatures on Checks are authentic and authorized. Member Business conducts its business, and submits Checks and Deposits in compliance with this Agreement, the Procedures, applicable law, and the Rules. Member Business further warrants that the Credit Union shall not sustain a loss as a result of returned items, and agrees that Member Business is responsible for paying any and all fees associated with said returned items. No Deposits or Checks contain any computer viruses or other harmful, intrusive, or invasive codes.
- 16. Returned Checks.** If Images of Checks deposited by Member Business are dishonored or otherwise returned unpaid by the drawee bank, or are returned by a clearing agent for any reason, including, but not limited to, issues relating to the quality of the Image, Member Business understands and agrees that, since Member Business either maintains the original Check or has destroyed the original Check in accordance with Section 7 of this Agreement, the original Check will not be returned, and CREDIT UNION may charge back an Image of the Check to Member Business's Account. Member Business understands and agrees that the Image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. Unless otherwise instructed by CREDIT UNION, Member Business agrees not to deposit the original Check if an Image or other debit as previously described is charged back to Member Business.

17. Fees and Charges. So long as this Agreement remains in effect, Member Business agrees to submit Remote Deposit transactions to an Analysis account, pay to CREDIT UNION the normal deposit account service charges established from time to time by CREDIT UNION and, in addition thereto, the fees and charges set forth in the *Business Rates Fees & Charges* schedule or provided from time to time hereafter to Member Business, and all such other fees and charges as may be agreed upon from time to time by Member Business and CREDIT UNION.

Member Business authorizes CREDIT UNION to deduct any charges for Remote Deposit from any Account, even if such deduction causes an overdraft in the Account. Should Member Business fail or refuse to pay any charges under this Agreement, Member Business agrees to pay all collection costs (including reasonable attorney's fees) which may be incurred by CREDIT UNION. CREDIT UNION shall have the right to increase or decrease charges imposed for Remote Deposit and will notify Member Business of the changes, to the extent required by law. Member Business's use of Remote Deposit after changes have been made shall constitute Member Business's agreement to the same.

In addition to Remote Deposit fees, Member Business agrees to pay all taxes, tariffs, and assessments levied or imposed by any government agency in connection with Remote Deposit, this Agreement, and/or the software or equipment made available to Member Business (excluding any income tax payable by CREDIT UNION). Member Business is also responsible for the costs of any communication lines and any data processing charges payable to third parties.

18. Amendments. CREDIT UNION may amend the terms of this Agreement at any time, in its sole discretion, by giving notice to Member Business. If required by this Agreement or by applicable law, notice will be given for the applicable required number of days in advance of each such amendment. Member Business's continued use of Remote Deposit shall constitute Member Business's agreement to such amendments. No amendments requested by Member Business shall be effective unless received, and agreed to in writing, by CREDIT UNION.
19. Your Obligation to Review Records. CREDIT UNION will provide notice of receipt of deposits to Member Business's Account on the periodic statement for such Account. Member Business is responsible for detecting and reporting to CREDIT UNION any discrepancy between Member Business's records and the records CREDIT UNION provides to Member Business. If Member Business does not detect and notify CREDIT UNION of such a discrepancy within thirty (30) days of Member Business's receipt of any terminal printout, mailed report or periodic statement (each a "**Report**"), whichever is received first, then such transactions shall be considered correct, and Member Business shall be precluded from asserting such error or discrepancy against CREDIT UNION. Member Business agrees to monitor its account balances and charges, to promptly notify CREDIT UNION if any Report conflicts with Member Business's records, and to refrain from acting on information it has reason to believe is erroneous. In all instances, CREDIT UNION's and, if the services of a third party provider are utilized in the provision of Remote Deposit, such third party's sole liability to Member Business shall be limited to the correction of any errors made.
20. Update Notice. Member Business shall provide written notice to CREDIT UNION of any changes to the information previously provided by Member Business to CREDIT UNION, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided and method of conducting sales. Such notice must be received by CREDIT UNION within five (5) business days of the change. Member Business shall provide any additional information requested by CREDIT UNION within five (5) business days of such request. CREDIT UNION retains the right to: (a) review Member Business's Checks, Deposits and business activities from time to time to confirm Member Business is conducting business as stated by Member Business at the time of the execution of this Agreement and (b) re-price or terminate Remote Deposit based on changes to information previously provided to CREDIT UNION by Member Business.

21. Our Duties and Responsibilities. CREDIT UNION's duties and responsibilities are limited to those described in this Agreement, the Deposit Agreement and any other agreements governing the Accounts. CREDIT UNION will use commercially reasonable care in performing its responsibilities under this Agreement. CREDIT UNION shall not be responsible for suspension of performance of all or any of its obligations, responsibilities or covenants hereunder, whether expressed or implied, if at any time, or from time to time, compliance therewith is prevented or hindered by, or are in conflict with, any federal or state law, regulation or rule, the order of any court of competent jurisdiction, any act of God or of the public enemy, war, epidemic, strike, or work stoppages of the U.S. Postal Service and commercial carrier(s), or electric power disruption or shortage, telecommunications failure or computer failures; acts, omissions, or errors of any carrier and/or agent operating between Member Business and CREDIT UNION or CREDIT UNION and any Federal Reserve institution or other agency utilized to exercise transfers or any recipients of transferred funds; any incorrect, unauthorized, or fraudulent use or other fraud by any person other than CREDIT UNION's employees; or, without limiting the generality of the foregoing, any other cause or circumstance beyond CREDIT UNION's control or other conditions or circumstances not wholly controlled by CREDIT UNION, which would prohibit, retard, or otherwise affect CREDIT UNION's complete or partial performance under this Agreement.
22. Internet Disclaimer. CREDIT UNION does not, and cannot, control the flow of any documents, files, data or other information via the Internet, whether to or from site hosted by Ensenta, CREDIT UNION's network, other portions of the Internet or otherwise. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt Member Business's connections to the Internet (or portions thereof). CREDIT UNION cannot guarantee that such events will not occur. Accordingly, CREDIT UNION disclaims any and all liability arising out of, resulting from or related to, such events, and in no event shall CREDIT UNION be liable for any damages of any kind (whether in contract, in tort or otherwise) that are attributable or in any way related to the Internet infrastructure or Member Business's or CREDIT UNION's ability or inability to connect to the Internet.
23. Indemnification and Liability: Third Party Claims. Member Business hereby indemnifies CREDIT UNION and each of its parents, subsidiaries, and affiliates and their respective officers, directors, volunteers, employees, members, partners, agents, insurers, and attorneys (each an **"Indemnified Party"** and, collectively, the **"Indemnified Parties"**) for, and holds each of the Indemnified Parties harmless from and against, all actions, causes of action, claims, damages, liabilities, and expenses (including reasonable attorneys' fees) of any nature or kind (including those by third parties) arising out of, or related to, this Agreement, including all actions, causes of action, claims, damages, liabilities, and expenses arising out of, related to or resulting from: (a) Member Business's (i) failure to report required changes, (ii) transmission of incorrect data to CREDIT UNION or (iii) failure to maintain compliance with the Rules, (b) CREDIT UNION's provision of Remote Deposit, (i) CREDIT UNION's action or inaction in accordance with, or in reliance upon, any instructions or information received from any person reasonably believed by CREDIT UNION to be an authorized representative of Member Business, (c) Member Business's breach of any of Member Business's representations, warranties, covenants or other agreements or responsibilities under this Agreement and/or (d) Member Business's breach or violation of any Rules; provided, however, Member Business is not obligated to indemnify CREDIT UNION for any damages solely and proximately caused by CREDIT UNION's gross negligence or willful misconduct.
24. Limit of Liability.
- a) Any provision in this agreement, any other agreement or the rules to the contrary notwithstanding, CREDIT UNION shall only be liable for damages solely and proximately caused by its gross negligence or willful misconduct, and CREDIT UNION's liability shall in no event exceed the lesser of (i) Member Business's actual damages or (ii) the total fees paid by Member Business to CREDIT UNION for remote deposit. In no event shall CREDIT UNION or any provider be responsible or liable for any indirect, special, consequential, exemplary, punitive or incidental damages, losses or injuries (including, without limitation, lost

- profits, loss of use, loss of data, or cost of cover) arising out of, or related to, the use by Member Business of remote deposit or any service or the failure of CREDIT UNION or any provider to properly process and complete transactions, even if CREDIT UNION or such provider(s) have been specifically advised of the possibility of such damages, losses, or injuries.
- b) Member Business acknowledges and agrees that Member Business's use of remote deposit shall be at Member Business's sole risk, and that remote deposit is provided by CREDIT UNION, as hosted through Ensenta on an "as is" basis.
 - c) Except as expressly set forth in this agreement, CREDIT UNION makes absolutely no representations or warranties whatsoever, express or implied, in law or in fact, to Member Business or to any other person, as to remote deposit or any aspect thereof, including (without limitation) any warranty of merchantability, fitness for a particular purpose, quality, accuracy, or suitability, and CREDIT UNION hereby disclaims any and all of the same. Member Business agrees that no oral or written advice or representation obtained from any CREDIT UNION employee or representative shall create a warranty or representation for purposes of this agreement or remote deposit to be performed pursuant hereto.
 - d) To the fullest extent allowed by law, and subject to the foregoing provisions of this section dealing with CREDIT UNION's liability for damages solely and proximately caused by its gross negligence or willful misconduct, CREDIT UNION's liability to Member Business under this agreement shall be limited to correcting errors resulting from CREDIT UNION's failure to exercise ordinary care.
 - e) CREDIT UNION makes absolutely no representations or warranties whatsoever, express or implied, in law or in fact, to Member Business or to any other person as to any computer hardware, software, or equipment in connection with remote deposit, including, but not limited to, Member Business's computer systems or related equipment, Member Business's software, or Member Business's internet service provider, or its equipment, or as to the suitability or compatibility of CREDIT UNION's software, internet delivered service, equipment or communication interfaces with those that Member Business uses, or as to whether any software or internet delivered service will perform in an uninterrupted manner, including, but not limited to, any warranty of merchantability or fitness for a particular purpose.
 - f) CREDIT UNION shall not be responsible or liable for any errors or failures resulting from defects in, or malfunctions of, Member Business's computer hardware or software, for the quality of performance or lack of performance of any computer software or hardware or internet delivered services supplied by CREDIT UNION to Member Business in connection with this agreement, or for the transmission or failure of transmission of any information from Member Business to CREDIT UNION, from CREDIT UNION to Member Business, from Member Business to any processor, from any processor to CREDIT UNION, or otherwise. CREDIT UNION shall not be responsible for notifying Member Business of any upgrades or enhancements to any of Member Business's computer hardware or software.
- 25. Financial Information.** CREDIT UNION may from time to time request information from Member Business in order to evaluate a continuation of Remote Deposit to be provided by CREDIT UNION hereunder and/or adjustment of any limits set by this Agreement. Member Business agrees to provide the requested financial information within a reasonable timeframe, upon request by CREDIT UNION, in the form required by CREDIT UNION. Member Business authorizes CREDIT UNION to investigate or reinvestigate at any time any information provided by Member Business in connection with this Agreement or Remote Deposit and to request reports from credit bureaus and reporting agencies for such purpose. Upon request by CREDIT UNION, Member Business hereby authorizes CREDIT UNION to enter Member Business's business premises for the purpose of ensuring that Member Business is in compliance with this Agreement. If Member Business refuses to provide the requested financial information, or if CREDIT UNION concludes, in its sole discretion, that the credit risk of Member Business is unacceptable, or if Member Business refuses to give CREDIT UNION access to Member Business's premises, CREDIT UNION may terminate Remote Deposit according to the provisions hereof.

26. Confidential Information and Proprietary Right in Data. All information of a business nature relating to the assets, liabilities or other business affairs disclosed to CREDIT UNION by Member Business and Member Business's Customers in connection with this Agreement is confidential. Except as allowed by applicable law, CREDIT UNION shall not disclose or permit access to any such information by any person, firm, or corporation. CREDIT UNION shall cause its officers, employees and agents to take such action as shall be reasonably necessary to preserve and protect the confidentiality of such information, by disclosing such information only to persons needing to have access thereto for the performance of the CREDIT UNION's obligations under this Agreement or to any other party to which CREDIT UNION may be required by law to report such information. Member Business agrees to hold confidential, and to use only in connection with Remote Deposit, all information furnished to Member Business by CREDIT UNION or by third parties from whom CREDIT UNION has secured the right to use Remote Deposit, including, but not limited to, CREDIT UNION's product and service pricing structure, system design, programming techniques, or other unique techniques. In addition, should Member Business at any time receive or acquire any information relating to another Member Business of CREDIT UNION, Member Business shall promptly return such information to CREDIT UNION and not reveal such information to any other party and shall not make use of such information for its own benefit or otherwise. CREDIT UNION's and Member Business's obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other, is or becomes generally available to the public other than by breach of this Agreement or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party. Notwithstanding anything to the contrary contained herein, it is understood and agreed by the parties hereto that the performance of Remote Deposit is or might be subject to regulation and examination by authorized representatives of CREDIT UNION's insurance provider(s), and State and Federal regulatory agencies, and Member Business agrees to the release of Member Business's reports, information, assurances and other data and information by CREDIT UNION, as may be required under applicable laws and regulations. Member Business agrees that any specifications or programs developed by CREDIT UNION in connection with this Agreement, or supplied or made available to Member Business by CREDIT UNION, are the exclusive property of CREDIT UNION, its agents, suppliers or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose without the express written consent of CREDIT UNION. This clause shall survive the termination of the Agreement.
27. Arbitration and Waiver of Jury Trial. Member Business and CREDIT UNION agree that the transactions contemplated in this Agreement involve "commerce" under the Federal Arbitration Act ("FAA"). **EVERY CONTROVERSY OR CLAIM BETWEEN MEMBER BUSINESS AND ANY INDEMNIFIED PARTY ARISING OUT OF, OR IS IN ANY WAY RELATED TO OR RESULTING FROM, THIS AGREEMENT, REMOTE DEPOSIT OR ANY OTHER SERVICES PROVIDED BY CREDIT UNION, WHETHER BASED IN CONTRACT, TORT OR ANY OTHER LEGAL THEORY, INCLUDING CLAIMS OF FRAUD, SUPPRESSION, MISREPRESENTATION AND FRAUD IN THE INDUCEMENT, WILL BE RESOLVED BY BINDING ARBITRATION UNDER THE FAA.** The arbitration will be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules (the "Arbitration Rules"). **IF A CLAIM IS SUBMITTED TO ARBITRATION, (A) MEMBER BUSINESS WILL NOT HAVE THE RIGHT TO GO TO COURT OR TO HAVE A JURY TRIAL; (B) MEMBER BUSINESS WILL NOT HAVE THE RIGHT TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED IN THE ARBITRATION RULES; (C) MEMBER BUSINESS WILL NOT HAVE THE RIGHT TO HAVE ANY CLAIM ARBITRATED AS A CLASS ACTION UNDER THE ARBITRATION RULES OR UNDER ANY OTHER RULES, WHETHER OF CIVIL PROCEDURE OR OTHERWISE; AND (D) THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING WITH LIMITED RIGHTS TO APPEAL. THIS ARBITRATION PROVISION IS SUPPLEMENTAL TO, AND NOT IN LIEU OF, ANY OTHER ALTERNATIVE DISPUTE RESOLUTION PROVISION, AND, IN THE EVENT OF A CONFLICT BETWEEN THIS PROVISION AND ANY OTHER SUCH ALTERNATIVE DISPUTE RESOLUTION PROVISION, THE TERMS OF THIS PROVISION SHALL CONTROL.** This agreement to arbitrate disputes will survive the closing of Member Business's Accounts and the termination this Agreement.

- 28. Attorneys' Fees.** In the event of any arbitration or other adversarial proceeding between the parties concerning this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs in addition to any other relief to which it may be entitled.
- 29. Successors.** This Agreement and all the terms and provisions herein shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.
- 30. Assignment.** No right or interest hereby conferred shall be assignable without the prior written consent of the other party, and any assignment made without such consent shall be null and void; provided, however that CREDIT UNION may assign this Agreement or any part of it to any of CREDIT UNION's affiliates or to a successor of CREDIT UNION by merger or acquisition upon written notice to Member Business.
- 31. No Third Party Beneficiaries.** This Agreement shall not be construed to confer any rights or remedies upon any person not a party to this Agreement, whether as a third party beneficiary or otherwise, against Member Business or CREDIT UNION, their respective successors, assigns and affiliates.
- 32. Entire Agreement.** The terms of the Deposit Agreement, all other agreements with CREDIT UNION pertaining to the Accounts and the Rules, are incorporated by reference and made a part of this Agreement. In the event of any inconsistency between such agreements, the Rules and this Agreement, the provisions of this Agreement shall control to the extent necessary. Member Business agrees that this Agreement is the entire statement of the terms and conditions which apply to the subject matter hereof. This Agreement supersedes any prior agreements between the parties relating to Remote Deposit.
- 33. No Waiver.** No delay or failure on the part of CREDIT UNION in exercising any of CREDIT UNION's rights under this Agreement shall constitute a waiver of such rights, and no exercise of any remedy hereunder by CREDIT UNION shall constitute a waiver of its right to exercise the same or any other remedy hereunder. Except for changes made in accordance with this Agreement, no deviation, whether intentional or unintentional, will constitute an amendment of this Agreement or will constitute a waiver of any right or duty of either party.
- 34. Severability.** In the event all or any part of any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable, in any respect, the remaining provisions or parts thereof shall be binding and enforceable as if any such invalid, illegal, or unenforceable provision had never been contained herein.
- 35. Termination.** This Agreement shall remain in full force and effect from the date hereof until such time as this Agreement is terminated by either party as hereinafter provided:
- a) this Agreement may be terminated at any time by either party following thirty (30) days prior written notice;
 - b) either party shall have the right to terminate this Agreement immediately by giving written notice to the other if such other party: (i) ceases to conduct its business in the ordinary sense, (ii) has any substantial part of its property become subject to any levy, seizure, assignment, or application for sale for, or by, any creditor or government agency, (iii) is a party to an acquisition or (iv) in the reasonable judgment of the party seeking termination, experiences an adverse change in its financial condition or business which impairs the ability of such party to perform its obligations under this Agreement, (v) fails to perform its obligations under this Agreement or defaults under any other agreement between the parties or (vi) makes any warranty or representation which proves to be false or misleading.
- 36. Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, without reference to its conflict of laws provisions, and applicable federal law.

37. Notices. Any notice required hereunder shall be given by first class U.S. Mail, postage pre-paid, by receipted hand delivery, electronically or by any other means agreed upon by both parties, and if to CREDIT UNION, at the address set forth below and, if to Member Business, at the most recent address shown for Member Business in CREDIT UNION's records. If any notice instructions are given, the provisions of such shall govern the method and location for giving notice. Any notice mailed shall be presumed received on the third business day after mailing thereof.

If to CREDIT UNION:

PO Box 85833
San Diego, CA 92186

Email: CM@northislandcu.com

USE OF OUR REMOTE DEPOSIT SERVICE IS AN INDICATION OF YOUR ACCEPTANCE TO THE TERMS OF THE REMOTE DEPOSIT AGREEMENT. IF YOU DO NOT AGREE TO THE TERMS OF THIS AGREEMENT, DO NOT USE REMOTE DEPOSIT.

Agreement Authorization

By signing below, the undersigned corporate officers and other authorized signers on behalf of the Organization; (i) agree and certify that they have been duly elected and authorized by the Organization to execute this Agreement; (ii) agree and authorize that a Security Administrator be designated and granted responsibilities for duties as stated in this agreement and Remote Deposit procedures.

To sign this Agreement, please print a copy of it and have two corporate officer's date and sign where indicated below. The original signed Agreement must be returned to CREDIT UNION.

Date _____

Organization Name _____

Signature _____

Printed Name _____

Title _____

Date _____

Signature _____

Printed Name _____

Title _____

Appointed Administrator _____

	Requested Deposit Limits			
	Maximum per Item	Maximum Rolling 7 days	Maximum Rolling 30 days	Weekly Processing Days
<input type="checkbox"/> Deposit Limits	\$	\$	\$	
Accounts for Deposit				

Exhibit A

All Sub Users as Authorized by the Appointed Administrator

Name (type or print)	Phone Number	Email
_____	<input type="checkbox"/> All Accounts* _____	_____
_____	<input type="checkbox"/> All Accounts* _____	_____
_____	<input type="checkbox"/> All Accounts* _____	_____
_____	<input type="checkbox"/> All Accounts* _____	_____
_____	<input type="checkbox"/> All Accounts* _____	_____
_____	<input type="checkbox"/> All Accounts* _____	_____

Administrator Responsibility for designation of Users and authorized accounts for deposit is subject to the terms and conditions of this Agreement. Credit Union will execute requests from persons designated by Customer.

Other Instructions or Additional Information

**For example, and deletions or restrictions to account access if "All Accounts" was not checked above.*

Appointed Administrator X

For Remote Deposit Processing Please Attach the Following:

- Completed and signed **Business Credit Application** or a **Personal Financial Statement**
- Copies of **bank and analysis statements** for three months from your current/prior financial institution
- A **Supplemental Schedule of Real Estate Owned** for each owner (where applicable)

Employee/Branch

Credit Union Use Only

Approved Limits by Account

Account Number	Item Limit	Deposit Limit	Daily Transmission Limit
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
		Balanced Files	<input type="checkbox"/> Generated <input checked="" type="checkbox"/> Required

Approved On: _____

By (Name): _____

Signature: _____

Approving Officers Comments/NOTES: