

REMOTE DEPOSIT CAPTURE USER AGREEMENT

This Remote Capture User Agreement contains the terms and conditions for the use of Merck Sharp & Dohme Federal Credit Union's ("MSDFCU", "us", or "we") Remote Deposit Capture services that we may provide to you ("you," or "user"). Other agreements you have entered into with MSDFCU, including the Depository Agreement and Disclosures governing your MSDFCU account, are incorporated by reference and made a part of this Agreement. In the event of a discrepancy between this agreement and the other agreements, the terms of this Agreement shall control.

1. Services. The remote deposit capture services ("Services") are designed to allow you to make deposits to your checking, savings, or money market savings accounts by capturing check images and delivering the images by mobile device and associated deposit information to MSDFCU or MSDFCU's designated processor. There is currently no charge for the Services.

2. Member Eligibility. You understand that you must be a MSDFCU member in good standing to qualify (good standing to be determined by MSDFCU in its sole discretion), and you must be registered user of Online Banking.

3. Acceptance of these Terms. Your use of the Services constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via e-mail or on our website(s) by providing a link to the revised Agreement. Your continued use of the Services will indicate your acceptance of the revised Agreement. Further, MSDFCU reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Services. Your continued use of the Services will indicate your acceptance of any such changes to the Services.

4. Limitations and Termination of Service. When using the Services, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you.

5. Eligible items. You agree to scan and deposit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"). You agree that the image of the check transmitted to MSDFCU shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code as adopted in Pennsylvania. You agree that you will not use the Services to scan and deposit any checks or other items as shown below:

- a. Checks or items payable to any person or entity other than you.
- b. Checks or items drawn or otherwise issued by you or any other person on any of your accounts or any account on which you are an authorized signer or joint account holder.
- c. Checks or items containing obvious alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- d. Checks or items previously converted to a substitute check, as defined in Reg CC.
- e. Checks or items drawn on a financial institution located outside the United States.

- f. Checks or items that are remotely created checks, as defined in Reg CC.
- g. Checks or items not payable in United States currency.
- h. Checks or items that are “stale dated,” “expired”. Or “post dated.”
- i. Checks or items that are “non-negotiable” (whether stamped in print or as a watermark).
- j. Money Orders or Savings Bonds

6. Rejection of Deposit. We are not liable for any fees, service, or late charges levied against you due to our 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.

7. Items Returned Unpaid. A written notice will be sent to you of transactions we are unable to process because of returned items. With respect to any item(s) that you transmit to us for remote deposit that we credit to your account, in the event such item(s) is dishonored, you authorize us to debit the amount of such item(s) from your account, including any applicable fees as stated in our current Service Charge and Fee Disclosure.

8. Image Quality. The image of an item transmitted to MSDFCU using the Services must be legible. The image quality of the items must comply with the requirements established from time to time by the American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve Board, including the requirements under federal Regulation CC, or any other regulatory agency, clearing house or association.

9. Endorsements and Procedures. You agree to restrictively endorse any item transmitted through the Services as “For deposit only, MSDFCU account # _____” or as otherwise instructed by MSDFCU. You agree to follow any and all other procedures and instructions for use of the Services as MSDFCU may establish from time to time.

10. Receipt of Items. We reserve the right to reject any item transmitted through the Services, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from MSDFCU that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your account and, in the event we reject an item for remote deposit, you understand and agree that you must deposit the original item. You understand and agree that even if we do not initially reject an item you deposit through the Services, we may later do so because, among other reasons, the paying bank deems the electronic image illegible. Our failure to reject such an item shall not limit your liability to us. You understand that any amount credited to your account for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check.

11. Availability of Funds. You agree that items transmitted using the Services are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Funds deposited using the Services will be available after MSDFCU receives payment for the funds submitted. MSDFCU may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as MSDFCU, in its sole discretion, deems relevant.

12. Disposal of Transmitted Items. Upon your receipt of a confirmation from us that we have received an image that you have transmitted, you agree to prominently mark the item as “Electronically Presented”, “VOID”, or otherwise render it incapable of further transmission, deposit, or presentment. You agree never to re-present the item. You agree to retain the original check for at least sixty (60) calendar days from the date of the image transmission. You must securely store each original check, particularly if you are using the Service to deposit items into an account. After 60 days, you agree to destroy the original check that you transmitted.. You understand and agree that you are responsible for any loss caused by your failure to secure an original check. You agree never to represent a previously deposited check. During the retention period, you will promptly provide any retained check to us, upon request. A retained check may be requested in order to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for our audit purposes. If you are unable to provide the original check, you will be liable for any unresolved claims by third parties.

13. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Services and to modify such limits from time to time.

14. System Requirements. You understand that you must at your sole cost and expense, obtain and use a mobile device that meets all technical requirements for the proper delivery of the Service and fulfills your obligation to obtain and maintain secure access to the Internet. You understand and agree that you may also incur and pay any and all expenses related to the use of the Service, including but not limited to telephone data service or Internet service charges.

15. Errors. You agree to notify MSDFCU of any suspected errors regarding items deposited through the Services right away, and in no event later than 60 days after the applicable MSDFCU account statement is sent. Unless you notify MSDFCU within 60 days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against MSDFCU for such alleged error.

16. Presentment. The manner in which the items are cleared, presented for payment, and collected shall be in MSDFCU’s sole discretion subject to the Depository Agreement and Disclosures governing your account.

17. Ownership & License. You agree that MSDFCU retains all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to MSDFCU’s business interest, or (iii) to MSDFCU’s actual or potential economic disadvantage in any aspect. You may use the Services only for non-business, personal use in accordance with this Agreement. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.

18. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A

PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

19. LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICES, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF MSDFCU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

20. User warranties and indemnification. You warrant to MSDFCU that:

- a. You will only transmit eligible items.
- b. Images will meet the image quality standards.
- c. You will not transmit duplicate items.
- d. You will not deposit or represent the original item.
- e. All information you provide to MSDFCU is accurate and true.
- f. You will comply with this Agreement and all applicable rules, laws and regulations.
- g. You will not use the Services and/or your account(s) for any illegal activity or transactions.
- h. Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

21. User's Indemnification Obligation. You agree to indemnify, defend and hold harmless MSDFCU and its directors, officers, employees, members and agents (the "Indemnified Parties") from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees and disbursements), claims, damages, liabilities and causes of actions of third parties resulting or arising from: (i) your failure to abide by or perform any obligation imposed upon you under this Agreement; (ii) the willful misconduct, fraud, criminal activity, intentional tort or negligence of you or any of your representatives involving use of the Services; (iii) the actions, omissions or commissions of you, your employees, consultants and/or agents relating to the Services; and (iv) any transmission or instruction, whether or not authorized, acted upon by MSDFCU in good faith. You shall be provided with prompt notice of any claims and given full authority and assistance (at your expense) for the defense of any such claims, provided that MSDFCU may participate in such defense and settlement with counsel of MSDFCU's own choosing at MSDFCU's own expense. However, you shall have no authority to settle any claim against any Indemnified Party without the prior written consent of such Indemnified Party (which consent shall not be unreasonably withheld).

22. Force Majeure. You understand and agree that we are not responsible or liable for any loss, liability, damages, expenses, or costs of any kind resulting from any delay in the Services due to causes beyond our control.

23. Other terms. You may not assign this Agreement. This Agreement is entered into in Chalfont, Pennsylvania, and shall be governed by the laws of the State of Pennsylvania and of the United States. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.

