

Merchant Remote Deposit Capture Agreement

This Merchant Remote Deposit Capture Services Agreement ("Agreement") is entered into between Nizari Progressive Federal Credit Union ("we," "us," "our," and "Credit Union") and _____ ("you," "your," and "Member"), and forms part of the Membership and Account Agreement between Member and Credit Union. By signing below, entering into this Agreement, or using the Product and/or Services, Member and all persons Member has authorized to use the Services (the "Authorized Users") agree to be bound by the terms of this Agreement. In the event of conflicts between the terms of this Agreement and the terms of the Membership and Account Agreement, the terms of this Agreement shall control.

1. **Background.** Credit Union offers the Product and Services for the conversion of Checks to Substitute Checks or Image Exchange Items, which would enable Member to transmit paper checks converted to Imaged Items to Credit Union for processing and deposit into an eligible business share account (including a business share draft account) of Member maintained at Credit Union ("Account").
2. **Definitions.** Capitalized terms defined in this Agreement shall have the meanings indicated in this Agreement (including in Schedule "A").
3. **Services.** Credit Union will provide to Member the Product and Services described in this Agreement to enable Member to transmit Imaged Items to Credit Union or the Credit Union's designated processor to be cleared as Substitute Checks or Image Exchange Items. Credit Union may choose, in its sole discretion, the method used to present and clear Imaged Items. The Services may be provided by a designated service provider of Credit Union. Credit Union has no obligation to disclose service provider arrangements to Member, and Credit Union shall not be required to obtain Member's consent to modifications of any such arrangements. Member authorizes Credit Union and its service provider to take all actions necessary to provide the Services. Credit Union and Member will comply with the terms and provisions of this Agreement with respect to the use of the Product and the performance of the Services.
4. **Member Financials; Credit Reports.** Member agrees to provide its financial information to us on request. Member and the Authorized Users authorize us to access and review their consumer credit reports, including without limitation, eFunds and ChexSystems reports, in connection with Member's application for and use of the Services, and from time to time thereafter for as long as Member and each Authorized User remains a user of the Services.
5. **Implementation.** Member will capture digitized images of Checks using Software provided by Credit Union or other Software acceptable to Credit Union, and will ensure that the output Files are compatible with the Product. Any software necessary shall be maintained by Member, except as the parties may otherwise agree in writing, and must meet technical specifications acceptable to Credit Union. Member shall transmit its output Files as provided in the Documentation, which is incorporated herein by reference.
6. **Member Responsibilities.** In connection with the Product and the Services, Member shall comply with the following:
 - 6.1. **Member's General Responsibilities.**
 - 6.1.1. Member shall maintain one or more Credit Union Accounts at Credit Union for the receipt of deposit of Imaged Items. Member additionally must be

enrolled in our Online Banking service, and apply for and be approved to use the Product and Services. Credit Union may restrict the types of Accounts to which an Imaged Item may be deposited.

6.1.2. Member shall be responsible for training its own employees and any other Authorized Users in the use of the Product and Services. Files transmitted for deposit by Authorized Users shall be deemed to have been lawfully transmitted by Member with full authorization. Member agrees that Authorized Users shall be limited to trusted or bonded employees or other persons who routinely handle cash and deposit checks for Member.

6.1.3. Member will only submit Checks for processing to Credit Union that meet the definition of "Check" in Schedule "A" and will ensure that the Checks scanned meet the standards for image quality established by Credit Union, ANSI (American National Standards Institute), The Board of Governors of the Federal Reserve Board ("Federal Reserve") Regulation CC (subpart D), and other applicable industry and regulatory agency standards.

6.1.4. Both the front and back of each Check must be sent to us as directed in any instructions we provide or make available to Member. Member is responsible for ensuring that the images of the front and back of each Check are correctly matched and that the Check images are clearly visible. We will not accept Checks containing incomplete Check images or images with torn or folded edges, cut corners, or other physical discrepancies. You represent and warrant that each Check submitted for remote deposit (a) will accurately and legibly represent all the information on the front and back of the Check at the time of imaging, including without limitation, the amount of the Check, the payee, the drawer's signature, the preprinted information that identifies the drawer and the paying bank, the magnetic ink character recognition (MICR) line, and all other information placed on the Check before imaging, such as endorsements applied to the back of the Check, and (b) will conform to our specifications as provided to you from time to time as well as applicable industry and regulatory standards.

6.1.5. Unless prior approved by Credit Union in writing, Member will not attempt to scan and transmit to Credit Union any Check which is drawn on a checking, savings, share, or any other deposit or share account of Member at Credit Union or any other financial institution, or a share or deposit account of any business entity of which Member is a principal, officer or authorized signer.

6.1.6. If an Imaged Item is dishonored or returned, Member may receive a Substitute Check as the charged-back Item. Member will not attempt to remotely deposit a Substitute Check. Any Substitute Check received by Member must be physically deposited with the Credit Union. Notwithstanding the foregoing, Credit Union may redeposit any returned Substitute Check or Image Exchange Item consistent with the terms of the Membership and Account Agreement. Member may not deposit an Original Check, whether by physical deposit or by way of the Services, if Member receives a Substitute Check as a dishonored or returned Item. Member agrees to abide by any additional instructions Credit Union may provide in connection with returned Items.

6.1.7. Member will (i) ensure that Checks are restrictively endorsed by Member in the proper location on the back of the Item with the following words: "For Deposit Only, Account #" (with the correct Member account number inserted). Third-party Checks shall additionally be endorsed by the Check payee with the following words above the payee's endorsement: "Pay To [name

of merchant]" and the payee(s) signature, and (ii) ensure that no financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for an Item more than once in any form.

6.1.8. Member will use the Product and Services, including the entering, processing and transmittal of Imaged Items, in accordance with the Documentation and our policies and procedures. Member and each Authorized User agree to be bound by all clearinghouse rules, operating circulars, image exchange agreements, and check processing rules to which we are bound, including Federal Reserve Board Operating Circular 3. In addition, Member will provide, at its own expense, an Internet connection, such as via cable, fiber, or a digital subscriber line (DSL) or other connectivity having sufficient speed and bandwidth to use the Services and will provide all other computer hardware, software, including but not limited to a capable computer and/or a mobile device with a camera supported by the Online Banking mobile application (the "App"), a scanner, a compatible Web browser, and any other equipment and supplies required to use the Services, all of which must satisfy any minimum requirements set forth in the Documentation or as otherwise may be acceptable to Credit Union. Not all computers or devices may qualify. The Credit Union may require that Member lease certain hardware and obtain maintenance service for such hardware from Credit Union's vendor. To use the mobile Services, Member must download and use the most recent version of the App as it becomes available. Money Service Business Members may not use the App to submit third-party checks, but may use the App to submit Checks payable to the Member. For as long as Member uses the Services, Member agrees to maintain up-to-date and commercially available antivirus, malware, and Internet security software for Member's computers and devices, as available. Member will provide, or obtain from another party selected by Member at Member's expense (or in certain cases for certain hardware required by Credit Union, obtain from another party selected by Credit Union at Member's expense), support and maintenance of such Internet connection and all computer hardware, software, and equipment required to use the Services, including without limitation troubleshooting Internet connectivity issues with Member's internet service provider (ISP), and Credit Union will not be responsible therefor. Credit Union may impose additional hardware and software requirements and mandatory equipment maintenance procedures from time to time by notifying Member, and Member agrees to abide by such requirements and procedures at Member's expense.

6.1.9. Member shall be responsible for verifying Credit Union's receipt of Member's transmission(s) by verifying that deposits have been posted to the appropriate Accounts, in addition to cooperating in any investigation and resolving any unsuccessful or lost transmission with the Credit Union. Transmitting a File does not mean the Credit Union received the File.

6.1.10. Member shall be responsible for installing and implementing any changes and upgrades to the Product and Services as required by the Credit Union within 5 days to ensure compliance with regulatory changes or developments, or to protect the integrity and security of the Product and Services. Member will ensure that the equipment for the Services is clean and operating properly, and inspect and verify the quality of images and ensure that the digitized images of Items are legible for all posting and clearing purposes.

6.1.11. Member shall keep all computers and mobile devices secure and exercise due care in preserving the confidentiality of any user

identification, password, test key, or other code or authentication method provided by the Credit Union or otherwise required for use of the Services. Credit Union may require additional security procedures to authenticate a user. Member shall keep all access information secure by memorizing it or keeping it in a safe place, not disclosing it to any third party other than those to whom Member provides its express authorization, and Member shall not record or display any access information in such a manner that it will be accessible by unauthorized third parties. Member additionally agrees not to leave any mobile device or computer unattended while logged into the Online Banking service, and Member will promptly log off after using Online Banking, including the Services. **Member understands that any person having access to Member's User Name and Password will have ready access to the Online Banking service and the Services and will have the ability to perform all transactions available through Online Banking and the Services.** Member agrees that any use of Member's User Name and Password by Member, by any Authorized User, by anyone Member or an Authorized User permits or authorizes to use Member's User Name and Password, and by anyone to whom Member or an Authorized User discloses Member's User Name and Password or gives access to Member's User Name and Password shall be deemed an authorized use for which Member will be liable. If Member or any Authorized User authorizes another person to use Member's User Name and Password in any manner, that authorization shall be considered unlimited in amount and manner until Member has notified us in writing that Member has revoked the authorization. Member is responsible for any transactions made by any such person until we have received Member's written notice of revocation and have had a reasonable opportunity to act upon it. Member understands that anyone with access to Member's computer or any mobile device accessing the Services may be able to access any Check images captured on the mobile device or computer, and Member is fully responsible for any damages or liability arising out of such access. Member is responsible for reporting the loss, theft, or compromise of any mobile device or computer accessing the Services or Member's User Name and Password to us as soon as possible after learning of it or if Member or any Authorized User suspects that unauthorized access or use has or may occur. For Member's security, we may restrict access to the Services without advance notice if we suspect potential or actual fraudulent activity.

6.1.12. Member will retain each Original Check and Imaged Item. Member will store Original Checks and Imaged Items in a safe and secure environment for a minimum period of 180 days after Original Checks have accepted by Credit Union for processing (the "Retention Period"). Member's retention procedures shall be designed to prevent damage, destruction, alteration or theft of Checks or Imaged Items. Checks shall be stored in a manner reasonably likely not to demagnetize the Check MICR line. Member shall take appropriate security measures to ensure that during the Retention Period: (a) only authorized personnel shall have access to Original Checks and Imaged Items, (b) that the information contained on such Original Checks or on any corresponding Imaged Items are not disclosed to third parties, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be redeposited or negotiated in any form, unless Member is instructed in writing by us to negotiate the Original Check or provide the Original Check to us. Member shall destroy Original Checks upon the expiration of the Retention Period applicable to such Checks. Member will use a commercially reasonable destruction method that is consistent with industry standards and/or our instructions to securely and completely destroy Original Checks after Member's Retention Period. Such destruction method shall ensure that Checks are rendered inaccessible and unreadable. Member

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 access to Original Checks or Imaged Items by unauthorized persons and the loss and destruction of Original Checks or Imaged Items by Member. Member will promptly (but in any event within 5 business days) provide any retained Original Check (or, if the Original Check is no longer in existence, a sufficient copy of the front and back of the Original Check) to Credit Union as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any Item or as Credit Union otherwise deems necessary.

6.1.13. Member understands and agrees that an Item that is not paid by a Payor Financial Institution, or is otherwise returned for any reason, will be returned to Member and Member's Account charged for the amount of the Item plus any associated fee as disclosed in Credit Union's schedule of fees. Credit Union's right to charge the Account of Member will apply without regard to whether the Item is timely returned to Credit Union or whether there is any other claim or defense that the Item has been improperly returned to Credit Union

6.1.14. Member shall maintain fully qualified, properly trained and experienced administrative staff and employees sufficient to perform its obligations under this Agreement.

6.1.15. Member will not engage in any activity directly or indirectly related to the use of the Services that is illegal or fraudulent, including without limitation involvement in any way with unlawful Internet gambling. Member will not use any of Member's accounts or any Credit Union services for illegal activities.

6.1.16. Member will not submit any Non-qualifying Items. Credit Union's processing of any Imaged Item that meets the definition on Schedule "A" of a "Non-qualifying Item" shall not constitute a waiver by Credit Union or obligate it to process such Non-qualifying Items in the future. Credit Union may discontinue processing of Non-qualifying Items at any time, without cause or prior notice.

6.1.17. To ensure accuracy, Member shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the File. Member may send multiple Files to the Credit Union or Processor throughout the day. Member shall not make deposits in excess of the deposit limits (the "**Deposit Limits**") as set forth in Schedule "B" incorporated herein and attached hereto, and as may be amended from time to time. If the total dollar value of the File sent by Member to the Credit Union exceeds the Deposit Limits, Credit Union may, at its option, refuse to accept the File that exceeds the Deposit Limits, or Credit Union may accept and process the File, in which case Member will be responsible and liable for the entire File amount. Member agrees not to exceed the Deposit Limits. Additional terms for the Deposit Limits and other terms and conditions for the Services may be specified in Schedule "B" attached hereto and as may be amended from time to time.

6.2. Remote Deposit Capture Service.

6.2.1. Member's Account will be provisionally credited upon Credit Union's acceptance of Imaged Items for deposit which are received by Credit Union from Member through the Services.

6.2.2. Member will create images of Checks at Member's location by use of scanning hardware and Software or a mobile device approved by Credit Union. Member will enter all amounts and any other required information correctly.

6.2.3. The Imaged Items will be transmitted by Member to Credit Union, or Credit Union's authorized processor, over the Internet through a web-based interface using a minimum 128-bit RC4 encryption software to zip, encrypt and password protect the electronic File.

6.2.4. Member will maintain the appropriate Account for Member to receive credit and provide other specific information required by Credit Union related to the Services. Imaged Items are not considered received by Credit Union until Credit Union has confirmed receipt by posting a notation in the deposit history area of the Online Banking service or by emailing Member. Receipt of an Imaged Item does not constitute an acknowledgement by us that the Item is error-free or that we will be liable for the Item. Member acknowledges that wireless communications may not be encrypted and that there are risks in transmitting data to us with a mobile device. We have implemented important measures to safeguard and secure Member's data, but we cannot be responsible for Imaged Items not received by us or for any intrusion into or theft of any data transmitted by Member unless the loss is substantially caused by us. As set forth in paragraph 9.2, all deposits received by Credit Union are accepted subject to Credit Union's verification and final inspection and may be rejected by Credit Union in Credit Union's sole discretion. All deposits are subject to the terms of the Membership and Account Agreement, including provisional crediting and final settlement. Member acknowledges that Credit Union cannot and does not guarantee the security of information transmitted over the Internet and Member expressly agrees to assume this risk. Credit Union is not responsible for alterations made to Imaged Items in the course of transmission to us. Member is responsible for ensuring that Imaged Items transmitted to us have been received by us and credited to the designated Account in the correct amount.

7. **Compliance with Law.** Member shall comply with all laws, rules, and regulations applicable to Member, to the business and operation of Member, and to the Products and Services, including, without limitation, Regulation CC, the Uniform Commercial Code as adopted in Texas ("Texas UCC"), and any rules established by an image exchange network through which Image Exchange Items are processed pursuant to this Agreement, all as may be amended from time to time. Member shall have the responsibility to fulfill any compliance requirement or obligation that Credit Union and/or Member may have with respect to the Services under all applicable U.S. federal and state laws, regulations, rulings, including sanction laws administered by the Office of Foreign Assets Control, and other requirements relating to anti-money laundering, including but not limited to, the Federal Bank Secrecy Act, the USA PATRIOT Act and any regulations of the U.S. Treasury Department or other governmental agency implementing such Acts, all as amended from time to time.
8. **Hardware and Software.** At any time during the term of this Agreement, Credit Union may require in its sole discretion the use of certain hardware and Software in connection with the Product and Services. If hardware or Software is required,

Credit Union will provide to Member either the hardware and/or a copy of the Software or instructions on how to obtain the necessary hardware or Software. In certain cases, the Credit Union may require Member to obtain and maintain the hardware and Software at Member's own expense.

8.1. To the extent the Credit Union requires the use of Software in connection with the Services, Member will implement and use the Software, as set forth in the Documentation and any applicable materials relating to the Documentation to transmit output Files to Credit Union.

8.2. Member acknowledges that (a) its license to any Software that may be required for the Services is directly from the Software provider, pursuant to the license agreement that appears when any such Software is electronically accessed by Member or otherwise provided to Member, (b) Credit Union may provide certain "first level" support to Member with respect to the Software, but that Credit Union will have no responsibility, for maintenance, support, infringement protection, or otherwise, to Member with respect to the Software, and (c) Member will look strictly to the Software provider, or its successors, with respect to any issues concerning the Software that cannot be satisfactorily resolved with Credit Union's assistance.

8.3. Member will use the Software solely for the purpose of transmitting output Files to Credit Union consistent with this Agreement and not for communications with any other party. Member will not allow access to the Software or the use of the Product or Services by any person other than Member or the Authorized Users.

8.4. Member will promptly return all copies of the Software and Documentation, including materials related to the Documentation, to Credit Union upon termination of the Agreement.

8.5. Member acknowledges that the Software, including without limitation all remote deposit technology and App for the mobile Services, are the property of Credit Union and/or its licensors, including but not limited to eDoc Innovations, Inc., and are protected by copyright law. The Credit Union grants Member a limited, personal, non-exclusive, non-transferable license to use the Software and to download and install the App solely to access and use the Services in accordance with the terms of this Agreement and any future amendments. Member acknowledges that all right, title and interest in the Services, the Software, including the remote deposit technology and the App, and all software development, is owned and retained by the Credit Union or its licensors and that neither the Services, the Software, the remote deposit technology, nor the App is sold to Member. Member's rights to the Services, the Software and the App are strictly limited by this Agreement, and the Credit Union and its licensors reserve all rights not expressly granted herein. Member may not, nor may Member permit any third party to: (a) sublicense, rent, lease, transfer, sell, or redistribute the Services, the Software, including the App or any portion thereof, (b) reverse engineer, decompile, disassemble, modify, change, alter, translate, create derivative works from, attempt to derive the source code of, copy or reproduce all or any part of, or interfere with, or attempt to interfere with, the Services, the Software and the App or any portion thereof, or (c) use the Services, the Software, or the App or any portion thereof in any manner not expressly permitted under this Agreement. Member acknowledges that the Software may contain valuable trade secrets that are the property of Credit Union and its service providers. Member agrees to take reasonable precautions to keep the Software secure and protect it from unauthorized access or use. Any unauthorized access or use of the Software by Member constitutes a material breach of this Agreement and may cause the owner irreparable injury for which there is no adequate remedy at law. Accordingly, in the event of an actual or threat of breach of the provisions of this Section 8.5, in addition to any other

remedies available to Credit Union at law, Member agrees that Credit Union may seek equitable relief to prevent or remedy the breach or threat of breach without posting bond or other security.

8.6. Consistent with Section 8.10, Credit Union may, from time to time, require a change to the Software required for the Services, provided such change does not result in any additional license or maintenance fees payable by Member. Member will be responsible to install and implement and changes to the Software within 5 days following notice of such change.

8.7 The Credit Union may require that certain hardware be leased directly from the Credit Union's vendor. In such case, an agreement will be signed between the vendor and the Member. The Credit union will play no role in the vendor/Member relationship and will not be responsible for the agreement terms or any servicing or lease of the leased hardware.

9. Credit Union Rights and Responsibilities.

9.1. For all Imaged Items processed by Member pursuant to this Agreement, (i) digitized images will be converted to Substitute Checks and presented for payment to established Endpoints, or (ii) Image Exchange Items will be presented for payment through image exchange networks. Credit Union may in its sole discretion determine the manner and order of processing. All such processing and presentment shall be done in accordance with timeframes and deadlines set forth in the Documentation and as otherwise established by the Credit Union from time to time.

9.2. Credit Union will use ordinary care as defined by the Texas Uniform Commercial Code in the handling of Items and in providing the Services. Unless otherwise agreed by Member and Credit Union, Credit Union will process any returned Items in accordance with applicable law and the Membership and Account Agreement.

9.3. Subject to Section 9.5 below, Items processed under this Agreement will generally be available on the next business day following the day we have approved the Items for deposit. If we do not make an Item available on the next business day and it is deposited to a transaction account as defined by Federal Reserve Board Regulation D, the Item will be subject to the Funds Availability Policy of Credit Union, which may be amended from time to time. Imaged Items submitted for deposit through the Services are not considered to be electronic direct deposits for purposes of the Funds Availability Policy.

9.4. Credit Union may at its sole option, with or without cause, at any time and from time to time, and without advance notice to Member, refuse to process any Imaged Items, and Credit Union will not be liable for such refusal. Credit Union may from time to time establish exposure limitations and assign them to Member. In the event of any conflict in instructions received by Credit Union regarding Member or Files, Credit Union may at its option and with or without notice, hold, interplead, comply with legal process or other order, or otherwise limit access by Member or Credit Union to the funds, Files, or proceeds thereof.

9.5. Member shall immediately reimburse Credit Union for any shortfalls that occur due to non-sufficient funds in the Member Account. Credit Union reserves the right to delay availability of funds without prior notice to Member if, in Credit Union's sole discretion, Credit Union deems itself at risk for any and all Services performed under this Agreement. Member agrees that Credit Union may make adjustments to Member's Account arising out of or related to Member's use of the Services at any time without advance notice to Member. In addition to any other

rights Credit Union may have as regards the accounts of Member, Credit Union may hold and use funds in any eligible share account (including a share draft or share certificate account) of Member following termination of this Agreement for such time as Credit Union reasonably determines that any Item processed by Credit Union prior to termination may be returned, charged back, or otherwise a cause for any loss, liability, cost, exposure or other action for which Credit Union may be responsible. Without limitation, Member recognizes that under the ~~Rule~~, the Texas UCC, Regulation CC, other applicable law, and the rules of any image exchange network, Credit Union's representations and warranties as regards Image Exchange Items and Substitute Checks may expose Credit Union to claims for several years following processing of the Image Exchange Item or Substitute Check.

9.6. Credit Union shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission, or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond Credit Union's control. In the event of any of the foregoing failure or delays, Member acknowledges that it may instead deposit directly with Credit Union any Original Items for processing and presentment, provided such Original Items have not been previously imaged and processed in connection with the Product and Services. In addition, Credit Union shall be excused from failing to transmit or from a delay in transmitting an Item for presentment if such transmittal would result in Credit Union's having exceeded any limitation upon its intraday net funds position established pursuant to Federal Reserve guidelines or if Credit Union's action would otherwise violate any provision of any risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority.

9.7. Member acknowledges that Credit Union may from time to time establish minimum amounts to be funded by Member as reserve amounts. Credit Union will provide notice to Member of any reserve requirement, and Member shall immediately fund the reserve amount with good funds. Credit Union may withhold and use any amounts due to Member to maintain any reserve amounts at levels specified by Credit Union. To secure all obligations of Member to Credit Union arising from this Agreement, Member grants to Credit Union a security interest in all eligible accounts of Member at Credit Union, all funds in those accounts, including dividends, any reserve accounts or funds therein, all Items, whether now or hereafter established by or for the benefit of Member at Credit Union, and all proceeds of the foregoing. Credit Union's security interest will survive termination of this Agreement. This security interest is supplemental to and not in lieu of the security interest granted by Member to Credit Union under any other agreement. Member additionally acknowledges Credit Union's statutory lien with respect to Member's accounts as provided in the Membership and Account Agreement.

9.8. The Credit Union may at its sole discretion conduct an on-site inspection, at any time and from time to time, of the Member's place of business and remote deposit procedures to ensure compliance with the provisions of this Agreement.

9.9. In connection with Credit Union's entry on the premises of Member for the purpose of conducting an on-site inspection pursuant to Section 9.8, or in connection with providing support to Member pursuant to Section 8.2, Credit Union shall not be liable or responsible to Member or any third party for any loss, bodily harm, property damage, claims of the introduction of a virus or other malicious code into Member's system, including any which allegedly delays, alters or corrupts the data of Member, whether related to the transmission of Imaged Items or other data to Credit Union or whether caused by the equipment, Software, Credit Union, Internet service providers, Internet browsers, or other parties providing communication services to or from Credit Union to Member.

9.10. Credit Union may add to, delete or change the features or functions of the Services, at any time in Credit Union's sole discretion. If Credit Union deems it reasonably practicable to do so and if the change adversely affects Member's usage of the Services, Credit Union will notify Member of the change in advance. Otherwise, Credit Union will notify Member of the change as soon as reasonably practicable after it is implemented or as required by law, which notification may be given electronically through the Online Banking service or to any email address on file for Member. Member agrees to keep Member's email address and other contact information on file with Credit Union current at all times. Credit Union may cause the Services to be temporarily unavailable to Member, either with or without prior notice, for site maintenance, security or other reasons, and Member acknowledges that factors beyond Credit Union's reasonable control, such as telecommunications failure or equipment failure, may also cause the Services to be unavailable to Member. In such event or as an alternative to using the Services, Member may deposit Original Checks and other items to any eligible share Account at Credit Union in person or in any other manner permitted by agreement between Member and Credit Union, and Member will be responsible for maintaining procedures and facilities to enable Member to do so if the Services are unavailable to Member. Credit Union is not responsible for providing an alternate method of remote deposit if the Product or Services are not available.

10. Processing Times.

10.1. The Services are available for use only on business days during the times set forth in the Documentation, except during maintenance periods, or such other hours as established by Credit Union from time to time. Transmissions processed after these hours on a business day, or on any day that is not a business day, are treated as occurring on the next business day.

10.2. Imaged Items processed for deposit through the Services will be deemed to have been received by Credit Union for deposit at the time the Imaged Items are actually received and accepted at the location where Credit Union or its designated agent posts the credit to the Account. A deposit of Imaged Items will be deemed to have been received and accepted by Credit Union for deposit when all of the following have occurred: (a) Credit Union has preliminarily verified that the image quality of the Imaged Items is acceptable to Credit Union in its discretion, all Item information is complete and the deposit totals are balanced to the Item information provided for the deposit, and (b) Credit Union has successfully performed all further validation routines with respect to the deposit. Notwithstanding the foregoing, Imaged Items received by Credit Union for deposit may be rejected by Credit Union in Credit Union's sole discretion.

10.3. Items will be processed and ready for presentment by Credit Union after Credit Union receives all good digitized images and associated data for any given transmission from Member. Credit Union will use commercially reasonable efforts to present Items for payment to the applicable Endpoint within a reasonable period of time following such receipt.

10.4. If under Section 10.2 above an Imaged Item is not accepted for deposit, Member may then submit the Original Check to Credit Union for processing, provided we have expressly notified Member in writing to deposit the Original Check, or contact the maker to reissue the Check. If Member submits the Original Check for processing, Credit Union reserves the right to refuse to process the Check for deposit and presentment to the Payor Financial Institution and may instead require Member to have the maker reissue the Check.

10.5. It is Member's responsibility to understand and build into its transmission schedules the appropriate deadlines necessary to meet the availability schedules of Credit Union as set forth herein, in the Documentation, and in the Membership and Account Agreement or as otherwise established by Credit Union. Member is further responsible for understanding and building into its transmission schedule the changes in transmission windows required by time changes associated with Daylight Savings Time.

11. Security Procedures.

11.1. Member will be solely responsible for establishing, maintaining, and following such security protocols as deemed necessary to ensure that output Files transmitted directly to Credit Union are intact, secure, and confidential until received by Credit Union.

11.2. Member agrees to implement security procedures that Credit Union may offer to verify the authenticity of any output Files transmitted to Credit Union in the name of Member. Regardless of the security procedures implemented by Member, Member agrees that Credit Union may rely on and Member will be obligated on the output File, whether or not the output File was authorized by Member. Also, if an output File was authorized by Member, Member will be obligated on the output File even if Credit Union did not verify its authenticity using the security procedures and even if the security procedures would have prevented error. Member agrees that the security procedures are intended to verify authenticity and not to detect error.

11.3. Member shall comply with online instructions for using the Product and Services by taking reasonable steps to safeguard the confidentiality and security of any passwords, equipment, and other proprietary property or information provided in connection with the Services.

11.4. Member shall limit access to any passwords, equipment, Checks, and Imaged Items to persons who have a need for such access, closely and regularly monitor the activities of employees and others who access the Services and the Checks and Imaged Items; notify Credit Union immediately if any passwords, equipment, Checks or Imaged Items are lost or stolen or if Member has any reason to believe the security of confidentiality otherwise required by this Section 11.4 has been or may be breached; and immediately change the password if Member knows or suspects the confidentiality of the password has been compromised in any way. Security procedures are not designed for the detection of errors, e.g., duplicate transmissions of Imaged Items or errors in information provided to Credit Union. Credit Union is not obligated to detect errors by Member.

11.5. Member may appoint an individual (an "Administrator") with the authority to determine who will be authorized to use the Services on Member's behalf. Member assumes sole responsibility for the actions of the Administrator, the authority the Administrator gives others to act on Member's behalf, and the actions of the persons designated by the Administrator to access and use the Product and Services.

11.6. Member agrees to change the password(s) periodically and whenever anyone who has had access to the password is no longer employed or authorized by Member to use the Product and Services. Credit Union may additionally require Member to change its password at any time.

11.7. Credit Union may elect, at Credit Union's discretion, to verify the authenticity or content of any transmission by placing a call to any authorized signer on Member's Account or any other person designated by Member for that purpose. Credit Union may deny access to the Services without prior notice if

unable to confirm any person's authority to access the Services or if Credit Union believes such action is necessary for security reasons.

11.8. Member warrants each time Imaged Items are transmitted using the Product and Services that Credit Union's security procedures are commercially reasonable (based on the normal size, type, and frequency of transmissions and taking into account the nature of Member's business and Member's particular circumstances). Member must contact Credit Union to establish a different written security procedure if the security procedures as set forth in this Agreement are not adequate in light of Member's particular circumstances. Member agrees to be responsible for any transmission Credit Union receives through the Services, even if it is not authorized by Member, provided it includes a password or is otherwise processed by Credit Union in accordance with the agreed-upon security procedures.

12. Member Representations and Warranties. Member makes the following representations and warranties with respect to Member and/or each Imaged Item transmitted by Member and processed by Credit Union pursuant to this Agreement:

12.1 Member is lawfully engaged in the business of selling goods and/or services to third parties from whom it may receive Original Checks and initiate and process transactions in accordance with this Agreement.

12.2 (a) No contractual or other obligations exist that would prevent Member from entering into this Agreement; (b) Member and the person(s) entering into this Agreement on behalf of Member have the requisite authority to execute, deliver, and perform Member's obligations under this Agreement; and (c) Member will comply with applicable law, regulations, industry standards, and Credit Union's policies, procedures, and specifications, all as may be amended from time to time, in its use of the Product and Services and performance of its obligations under this Agreement.

12.3. Each Imaged Item is a digitized image of the front and back of the Check and accurately and completely represents all of the information on the front and back of the Check as of the time Member converted the Check to an Imaged Item. The quality of the Checks and the Imaged Items transmitted shall be such that a legally equivalent Substitute Check can be created.

12.4. All signatures on Checks are authorized and authentic, and the Imaged Item contains all required endorsements applied by parties that previously handled the Check in any form for forward collection or return.

12.5. Member makes and expressly assumes all encoding, transfer, presentment, collection and other warranties made under applicable law as Credit Union is deemed to make under applicable law, including without limitation those under the Texas UCC, including without limitation Texas UCC Section 4.208, Regulation CC, and the rules of any image exchange network.

12.6. Member expressly assumes all of the warranties and indemnifications of Check 21, including without limitation, the warranty that no depository institution, drawee, drawer, or endorser will receive presentment or return of, or otherwise be charged for, the Substitute Check, the Original Check, or a paper or electronic representation of the Substitute Check or the Original Check such that the person will be asked to make a payment based on a Check that it has already paid.

12.7. Each Original Check is not a counterfeit and contains no alterations.

12.8. All data and other information submitted by Member to Credit Union, including, but not limited, to data contained in the MICR line of each Check is complete and accurate and complies with the requirements of this Agreement.

12.9 Member and any Authorized User will use the Product and Services only for legal purposes and only as provided in this Agreement.

12.10 Member is the holder of the Original Check and authorized to enforce each Imaged Item transmitted.

12.11 Member will not transmit Non-qualifying Items for processing.

12.12 Member and the Authorized Users will cooperate with Credit Union in connection with Credit Union's provision of the Services.

12.13 Imaged Items and Files transmitted to Credit Union will not contain a virus or other harmful computer code.

12.14 Member will not deposit an Original Check that Member attempted to deposit through the Services unless the Item cannot be accepted or processed through the Services and Credit Union expressly notifies Member in writing that Member may do so.

12.15 Imaged Items submitted will conform to our standards and Member will not breach the terms of this Agreement at any time.

12.16 Credit Union will suffer no loss as a result of Credit Union's acceptance of Member's Imaged Items or Member's use of the Product and Services.

13. Fees and Charges.

13.1. So long as this Agreement remains in effect, Member agrees to pay to Credit Union the normal account service charges established from time to time by Credit Union and, in addition thereto, the fees and charges set forth in the Fee Schedule as provided from time to time hereafter to Member, and all such other fees and charges as may be agreed upon from time to time by Member and Credit Union. Member shall also pay all charges and fees charged by third parties in connection with handling of Member's Imaged Items. All charges and fees are due and payable immediately.

13.2. Member authorizes Credit Union to deduct any charges and fees for or charged in connection with the Services from any eligible account without notice, even if such deduction causes an overdraft in the Account. Should Member fail or refuse to pay any charges under this Agreement, Member 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 the Services and will notify Member of the changes to the extent required by law. Member's use of the Services after Credit Union mails or delivers any notice of change shall constitute Member's agreement to the same.

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

14. Term and Termination.

14.1. The term of this Agreement will commence upon full execution of this Agreement and will continue thereafter until terminated as follows:

14.1.1. Member may terminate this Agreement at any time, with or without cause, upon notice to Credit Union.

14.1.2. Credit Union may terminate this Agreement or suspend all or part of the Product or Services at any time immediately upon notice to Member, (including, without limitation if Credit Union discovers any breach of this Agreement by Member, any gross negligence or willful misconduct by Member or any Authorized User, bad Checks or fraudulent activities on the part of Member or any Authorized User with respect to the Services or Items processed by Credit Union under this Agreement). Credit Union may additionally terminate this Agreement or suspend the Product or Services on notice to Member if Credit Union determines in its sole discretion that the volume of Imaged Items and other activity in connection with the Services exceeds that which Credit Union can reasonably and safely process.

14.2. Any termination will not affect any obligations arising prior to termination, such as the obligation to process any Items that were processed or in the process of being transmitted or collected prior to the termination date, or any returns of the same. Upon termination, Credit Union may terminate Member's access to the Product and Services, and Member will terminate its access to and use of the Product and Services, except to the extent necessary to process and collect Items that were in process prior to the termination date. Within 7 days after termination of this Agreement, Member will, at its expense, promptly uninstall and remove all Software provided for the Services from its computers (except that Member shall not be required to uninstall or remove the Online Banking App if Member otherwise continues to use the Online Banking service) and return to Credit Union the Documentation and any materials relating to the Documentation in its possession or under its control. Member shall destroy all copies of the Documentation and materials relating to the Documentation that cannot be returned, and if requested certify in writing to Credit Union that all copies have been returned or destroyed. Member will be responsible and liable to Credit Union for the replacement cost of all lost, stolen or damaged equipment, if any, that was provided by Credit Union to Member in connection with the Services.

14.3. All Sections of this Agreement which are intended by their terms to survive termination of this Agreement, including without limitation Sections 5 through 12.3 and Section 14 will survive any such termination. Additionally, if this Agreement is suspended or terminated, all other account agreements and any other agreements will remain in effect after such suspension or termination unless both parties otherwise agree in writing.

15. Member Indemnification.

15.1 Member will indemnify and hold harmless Nizari Progressive Federal Credit Union and each of its parents, subsidiaries and affiliates and their respective officers, directors, employees, members, partners, agents, insurers and attorneys (each and "**Indemnified Party**" and, collectively the "**Indemnified Parties**") for, and will hold each of the Indemnified Parties harmless from and against all third party suits, proceedings, claims, demands, causes of action, damages, expenses (including reasonable attorney's fees and other legal expenses), liabilities and other losses that result from or arise out of: (a) the acts or omissions of Member, or any person acting on Member's behalf (including without limitation Member's authorized

processor, if any), in connection with Member's use of the Product or Services or processing of Items under this Agreement, including without limitation (i) the breach by Member of any provision, representation or warranty of this Agreement, (ii) the negligence or willful misconduct (whether by act or omission) of Member or its Authorized Users or any third party on behalf of Member, (iii) any use or misuse of the Product or Services by Member, Authorized User, or any third party within the control or on behalf of Member, (iv) the failure by Member or any Authorized User to comply with applicable state and federal laws and regulations, or (v) any fine, penalty or sanction imposed on Credit Union by any clearinghouse or any governmental entity arising out of or connected with any Item processed by Credit Union for Member or at Member's instruction; (b) any act or omission of Credit Union that is in accordance with this Agreement or instructions from Member; (c) actions by third parties, such as the introduction of a virus that delay, alter or corrupt the transmission of an Imaged Item to Credit Union; (d) any loss or corruption of data in transit from Member to Credit Union; (e) any claim by any recipient of a Substitute Check corresponding to a Check processed by Member under this Agreement, that such recipient incurred loss due to the receipt of the Substitute Check instead of the Original Check; or (f) any claims, loss or damage resulting from Member's breach of, or failure to perform in accordance with, the terms of this Agreement.

15.2 Member will indemnify and hold harmless Credit Union and its service providers, including but not limited to eDoc Innovations, Inc. and the respective affiliates, officers, employees, and agents of each of the foregoing from and against any third-party claims, suits, proceedings, actions, or demands, including claims of another financial institution, business entity, or governmental authority, and all losses, liabilities, damages, fines, penalties, costs and expenses, including court costs and reasonable attorney's fees and expenses, arising from such claims to the extent related to Member's and Authorized Users use of the Product or Services, including Credit Union's service providers' applications, unless such claim directly results from an act or omission made by Credit Union or its service providers.

16. Disclaimer. CREDIT UNION'S REPRESENTATIONS, WARRANTIES, OBLIGATIONS AND LIABILITIES, AND MEMBER'S RIGHTS AND REMEDIES, AS SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. USE OF PRODUCT AND SERVICES AND ALL RELATED INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) ARE PROVIDED AT MEMBER'S OWN RISK AND ON AN "AS IS" AND "AS AVAILABLE" BASIS. CREDIT UNION AND EACH OF ITS PARENTS, SUBSIDIARIES AND AFFILIATES HEREBY DISCLAIM, AND MEMBER HEREBY WAIVES AND RELEASES CREDIT UNION, EACH OF ITS PARENTS, SUBSIDIARIES AND AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, AND EMPLOYEES FROM ALL OTHER REPRESENTATIONS, WARRANTIES OF ANY NATURE, OBLIGATIONS AND LIABILITIES, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY AND ALL DOCUMENTS, SERVICES, INFORMATION, ASSISTANCE, SOFTWARE PRODUCTS, OR OTHER MATTERS PROVIDED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION (a) ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A SPECIFIC USE, FOR A PARTICULAR PURPOSE OR APPLICATION, OR OTHER IMPLIED CONTRACTUAL WARRANTY; (b) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE; (c) ANY WARRANTIES OF TIMELINESS OR NON-INFRINGEMENT; AND (d) ANY OTHER WARRANTY WITH RESPECT TO QUALITY, ACCURACY, OR FREEDOM FROM ERROR. NOTWITHSTANDING THE GENERALITY OF THE FOREGOING, NEITHER CREDIT UNION NOR EACH OF ITS PARENTS, SUBSIDIARIES AND AFFILIATES OR SERVICE PROVIDERS WARRANT THAT OPERATION OF THE PRODUCT OR THE SERVICES WILL MEET MEMBER'S REQUIREMENTS OR WILL BE ERROR-FREE OR THAT THEIR OPERATION WILL BE TIMELY, SECURE, OR UNINTERRUPTED. NEITHER CREDIT UNION NOR EACH OF ITS PARENTS, SUBSIDIARIES AND AFFILIATES OR SERVICE PROVIDERS WARRANT THAT THE RESULTS OBTAINED BY USING THE SERVICES WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN THE SERVICES AND RELATED TECHNOLOGY WILL BE CORRECTED.

17. Credit Union's Liability.

17.1. Credit Union will not be liable to Member for any of the following: (a) any damages, costs or other consequences caused by or related to Credit Union's actions that are based on information or instructions that Member provides to Credit Union; (b) any unauthorized actions initiated or caused by Member or its employees or agents; (c) the failure of third persons or vendors to perform satisfactorily, other than persons to whom Credit Union has delegated the performance of specific obligations provided in this Agreement; (d) any refusal of a Payor Financial Institution to pay an Image Exchange Item or Substitute Check for any reason (other than the breach of contract, gross negligence or willful misconduct of Credit Union), including without limitation, that the Image Exchange Item or Substitute Check was allegedly unauthorized, was a counterfeit, had been altered, or had a forged signature; (e) Member's or any other party's lack of access to the Internet or inability to transmit or receive data; (f) failures or errors on the part of Internet service providers, telecommunications providers or any other party's own internal systems, or (g) if Member does not follow or comply with the representations or warranties set forth in Section 12 above.

17.2. Credit Union's liability for errors or omissions with respect to the data transmitted or printed by Credit Union in connection with this Agreement will be limited to correcting the errors or omissions. Correction will be limited to reprocessing, reprinting and/or representing the Image Exchange Items or Substitute Checks to the Payor Financial Institution.

17.3. Notwithstanding anything to the contrary in this Agreement, Credit Union's aggregate liability for claims related to this Agreement, whether for breach, negligence, infringement, in tort or otherwise, arising during any 12-month period shall be limited to an amount equal to the amount of fees paid by Member to Credit Union under this Agreement for such 12-month period.

17.4. Except as otherwise specifically provided in this Agreement, in no event will either party be liable to the other for any consequential, indirect, incidental, special, exemplary or punitive damages, including without limitation any loss of use or loss of business, revenue, profits, opportunity or good will, under any theory of tort, contract, indemnity, warranty, strict liability or negligence, even if such party has been advised or should have known of the possibility of such damages.

17.5. Member and Credit Union acknowledge and agree that the limitations of liability in this Section are a bargained for allocation of risk and liability, and agree to respect such allocation of risk and liability. Each party agrees and acknowledges that the other party would not enter into this Agreement without the limitations of liability set forth in this Section.

18. MISCELLANEOUS.

18.1. Assignment. Neither party may assign its rights or obligations under this Agreement without the written consent of the other party; provided, however, Credit Union may assign or transfer this Agreement or any part of it, by operation of law or otherwise, to any of Credit Union's affiliates or to a successor of Credit Union by merger or acquisition and Member hereby consents to such assignment or transfer in advance. The legal successor(s) resulting from such aforementioned assignment or transfer will succeed to and be bound by this Agreement. Credit Union may subcontract any of the work, services, or other performance required of Credit Union under this Agreement without the consent of Member.

18.2. Consent to Breach Not Waived. Neither party will, by the lapse of time, and without giving written notice, be deemed to have waived any of its rights under this Agreement. No waiver of a breach of this Agreement will constitute a waiver of any prior or subsequent breach of this Agreement. For purposes of this Agreement, time is of the essence.

18.3. Notices. Any notice to Credit Union shall be given by first class U.S. Mail, postage prepaid or by receipted hand delivery or by any other means agreed upon by Credit Union. For notice by mail or hand delivery, notice shall be sent to Nizari Progressive Federal Credit Union, 14090 Southwest Freeway, Suite 260, Sugar Land, TX 77478. Member agrees that any notice from Credit Union to Member may be provided to Member's mailing address on file with Credit Union or electronically to Member's email address on file. Any notice mailed shall be presumed received on the third business day after mailing thereof.

18.4. Force Majeure. In addition to any other force majeure provisions herein, neither party will be liable to the other for any delay or interruption in performance as to any obligation in this Agreement resulting from governmental emergency orders, judicial or governmental action, emergency regulations, sabotage, riots, terrorist action, vandalism, labor strikes or disputes, acts of God, fires, electrical failure, major computer hardware or software failures, equipment delivery delays, acts of third parties, or delays or interruptions in performance beyond its reasonable control.

18.5. Entire Agreement; Amendment. This Agreement contains the entire agreement between Member and Credit Union relating to the subject matter hereof and supersedes any prior or contemporaneous understandings and agreements, whether oral or written, between the parties regarding the subject matter of this Agreement. Credit Union may add to, change, or delete any of the terms of this Agreement or the Product or Services at any time and from time to time as determined in its sole discretion by notifying Member or posting such changes to its website or within the Online Banking service. If Member does not agree to the changes, Member may terminate this Agreement and use of the Services at any time by notifying Credit Union in writing. Transactions in process at the time of termination will continue to be processed. Member's responsibility for obligations incurred before termination and for transactions initiated before termination but not completed at time of termination shall survive termination of this Agreement. Member may not amend this Agreement unless Credit Union expressly agrees in writing. This Agreement will not be more strongly construed against either party, regardless of who is more responsible for its preparation.

18.6. Severability. If any part of this Agreement is found to be illegal or unenforceable, then that part will be curtailed only to the extent necessary to make it, and the remainder of the Agreement, legal and enforceable.

18.7. Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of Texas, without reference to its conflict of laws provisions, and applicable federal law. Proper venue for any disputes arising from this Agreement will be in Fort Bend County, Texas.

18.8. Relationship of Parties. Nothing in this Agreement creates a joint venture, partnership, principal/agent or mutual agency relationship between the parties. No party has any right or power under this Agreement to create any obligation, expressed or implied, on behalf of the other party.

18.9. No Third Party Beneficiaries. Except for Credit Union's service providers and licensors, this Agreement shall not be construed to confer any rights or remedies upon any person not a party to this Agreement, whether as third party beneficiary or otherwise, against Member or Credit Union and its respective successors, assigns and affiliates.

18.10. Captions and Headings. The captions or headings used in this Agreement are for convenience only and will not be used to construe or interpret any provision hereof.

18.11 Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, each of which may be original or electronic and shall together constitute one and the same binding instrument. By using a computer, mobile device, signature pad, or other electronic device in connection with executing this Agreement and authorizing and completing transactions, Member agrees to the use of electronic signatures and any such signature of Member or anyone authorized to sign on behalf of Member will be deemed an original handwritten signature for all purposes.

18.12. Use of Trademarks. Member may not use Credit Union's name or trademarks without the express written consent of Credit Union. If Member is permitted to use any of Credit Union's name, trademarks or promotional materials, Member will not indicate, directly or indirectly, that Credit Union endorses, or is connected in any way with, any of Member's goods or services.

18.13. Account Reconciliation; Service Issues. Credit Union will provide notice of receipt of deposits to Member's Account on the periodic statement for such Account. Member is responsible for detecting and reporting to Credit Union any discrepancy between Member's records and the records Credit Union provides to Member. If Member does not detect and notify Credit Union of such a discrepancy within 33 days of Member'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 shall be precluded from asserting such error or discrepancy against Credit Union. Member will notify us promptly if Member or any Authorized User experiences or suspects any problems or issues relating to the Product or Services.

18.14. Contingency Plan. Member agrees that, in the event Member is not able to capture, balance, process, produce or transmit a File 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 will transport the originals of all Checks to the closest office of Credit Union 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 shall be governed by the terms and conditions of the Membership and Account Agreement and not by the terms of this Agreement.

18.15. 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 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'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's or Credit Union's ability or inability to connect to the Internet.

18.16. Arbitration. Member and Credit Union agree that the transactions contemplated in this Agreement involve "commerce" under the Federal Arbitration Act ("FAA"). Every controversy, dispute or claim between the parties arising out of, or in any way related to or resulting from, this Agreement, the Product or Services, 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, at the election of a party, be resolved by binding arbitration under this arbitration provision and the Commercial Arbitration Rules ("Arbitration Rules") administered by the American Arbitration Association ("AAA"), and any amendment of them, in the form in effect at the time a Claim is filed. A party who has asserted a claim in a lawsuit in court may elect arbitration with respect to any claim(s) subsequently asserted in that lawsuit by any other party or parties. Any participatory arbitration hearing (other than telephonic hearings) will be held in Sugar Land, Texas, unless both parties agree otherwise. If Member would like to obtain a copy of the Arbitration Rules and filing forms, Member may contact the AAA by calling 1-800-778-7879. The Arbitration Rules and filing forms also can be obtained from the AAA website at www.adr.org. All Claims shall be filed at an AAA office. If the applicable Arbitration Rules are modified, superseded, or replaced, an equivalent set of rules of AAA will govern the arbitration. If for any reason AAA is unable or unwilling or ceases to serve as arbitration administrator, we will substitute an equivalent national arbitration organization utilizing a similar code or procedure. There shall be no authority for any claims to be arbitrated on a class action basis. Further, arbitration can only decide Credit Union's or Member's Claim and may not consolidate or join the claims of other persons who may have similar claims. The arbitrator will decide whether you or we will ultimately be responsible for paying any fees in connection with the arbitration. Unless inconsistent with the applicable law, each party shall bear the expense of their respective attorneys', experts' and witness fees, regardless of which party prevails in the arbitration. Both parties fully understand and agree that they will not have a right to litigate any claim in any court if either party chooses to have the claim resolved by binding arbitration. Further, in agreeing to arbitrate all claims you are waiving your right to a jury trial. This arbitration provision and the exercise of any of the rights you and we have under it do not prohibit you or us from exercising any lawful rights either of us has to use other remedies available to preserve, foreclose or obtain possession of real or personal property, exercise self-help remedies, including any setoff or statutory lien rights which we may have. The arbitrator shall apply applicable substantive law consistent with the FAA and the applicable statute of limitations and shall honor all claims or privileges recognized at law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. This arbitration provision will survive termination of Member's use of the Services. Either of us may bring an action to compel arbitration of any claim and/or stay the litigation in any court having jurisdiction; such motion may be brought at any time in a lawsuit in court, until the entry of a final judgment. If any portion of this arbitration provision is deemed invalid or unenforceable, it shall not invalidate the remaining portions of this arbitration provision.

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By signing below, each party agrees to be bound by the terms and conditions of this Merchant Remote Deposit Capture Agreement.

Member Name: _____	Nizari Progressive Federal Credit Union
Signature: _____	Signature: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Nizari Progressive Federal Credit Union
Schedule "A"
Merchant Remote Deposit Capture Agreement
Definitions

This Schedule "A" to the Nizari Progressive Federal Credit Union Merchant Remote Deposit Capture Service Agreement ("Agreement") is incorporated into and made a part of the Agreement.

"Business Day" means a calendar day other than a Saturday or a Sunday, January 1, the third Monday in January, the third Monday in February, the last Monday in May, July 4, the first Monday in September, the second Monday in October, November 11, the fourth Thursday in November, or December 25. If January 1, July 4, November 11, or December 25 fall on a Sunday, the next Monday is not a business day.

"Check" or "Original Check" means the original of a check as defined in Regulation CC. "Check" does not include a Substitute Check, a remotely created check, or any Non-qualifying Item under this Agreement. The Check Item can only be drawn on financial institutions within the United States.

"Check 21" means the Check Clearing for the 21st Century Act, 12 U.S.C. 5001, *et. seq.*, and the implementing Check 21 regulations located in Subpart D to Federal Reserve Board Regulation CC, 12 C.F.R. 229 *et. seq.*, and other applicable provisions of Regulation CC.

"Confidential Information" with respect to either party as recipient means any information obtained by, or disclosed or made available to such party (whether in writing, verbally, or by observation of objects or processes) from or by the other party, that is accompanied by a clear indication that the disclosing party considers the information to be confidential or proprietary, or is of a type that the recipient should reasonably consider it the confidential or proprietary information of the disclosing party or its licensors. Confidential Information does not include information that (a) is or becomes generally available to the public other than as a result of a disclosure by the recipient; (b) was in the recipient's possession before the time of disclosure, (c) becomes available to the recipient on a non-confidential basis from another source, provided that the recipient has no actual knowledge that the source of such information was bound by and in breach of a confidentiality obligation with respect to such information; or (d) is independently developed by the recipient without reference to or use of the disclosing party's other Confidential Information. The Documentation and any materials relating to the Documentation will be deemed the Confidential Information of Credit Union for purposes of this Agreement. Any nonpublic personal information regarding Member's Customers shall be deemed the Confidential Information of Member for purposes of this Agreement.

"Documentation" means all documentation, application, user set-up form, system requirements guide, schedule of fees, the user manual, any other user guides/quick references, all instructions (including on-line instructions) relating to the Product and Services, which Credit Union may provide to Member from time-to-time in connection with the Product or Services.

"Imaged Item" means the digitized image of a Check that is created by Member and transmitted to Credit Union using the Services.

"Endpoint" means any Federal Reserve Bank, financial institution, local clearing house, courier or other entity or location for the delivery of cash letters or other presentment of Electronic Items or Substitute Checks.

"File" means one or more Imaged Items, whether transmitted individually or in a batch.

"Image Exchange Item" means a digitized image of an Item cleared and settled directly with a payor Financial Institution without conversion to a Substitute Check.

"Item" means a Check that is payable on demand, drawn on or payable through or at an office of a United States Financial Institution, whether negotiable or not, and payable or endorsed to Member, and includes Original Checks, Substitute Checks and Image Exchange Items. Such term does not include Non-cash Items or Items payable in a medium other than United States money.

"Non-cash Item" means an Item that would otherwise be an Item, except that: (a) a passbook, certificate or other document is attached; (b) it is accompanied by special instructions, such as a request for special advice of payment or dishonor; (c) it consists of more than a single thickness of paper, except an Item that qualifies for handling by automated check processing equipment; or (d) it has not been preprinted or post-encoded in magnetic ink with the routing number of the Payor Financial Institution.

"Non-qualifying Item" means any Foreign Check Item (Check drawn on a financial institution outside of the United States), Savings Bond (E, EE, HH, etc.), remotely created Check, and Member's own Check issued by and drawn on the Member and/or its affiliates, whether such Check is drawn on Credit Union or another financial institution.

"Money Service Business" means a Member that uses the Services to submit third-party Checks for remote deposit.

"Original" with respect to a Check means the first paper Item issued with respect to a particular payment transaction.

"Payor Financial Institution" means the United States Financial Institution ordered in an Item to make payment to the payee(s) named on the Item.

"Product" means collectively the procedures, protocols, and software used by Credit Union and its licensors and contractors in connection with the electronic processing of Items, and includes without limitation the Services.

"Regulation CC" means 12 C.F.R. Part 229, as it may be amended from time to time.

"Services" means the services described in this Agreement, to be provided by Credit Union to Member to enable the processing of Items digitally as Image Exchange Items through image exchange networks or through creation of Substitute Checks and presentment to established Endpoints.

"Software" means any software which may be offered or required by Credit Union for use in receiving, validating and packaging images and data from one or more Files to be forwarded to Credit Union for additional processing.

"Substitute Check" means a paper reproduction of an Item that satisfies the requirements and definition of "substitute check" as set forth in Regulation CC.

"UCC" means the Uniform Commercial Code as enacted and amended in the State of Texas.

"United States Financial Institution" means (a) any person, located in the United States and lawfully engaged in the business of banking; (b) a Federal Reserve Bank; (c) a Federal Home Loan Bank; and (d) to the extent it acts as a payor, the U.S. Treasury, the U.S. Postal Service, or a State or local government.

Nizari Progressive Federal Credit Union
Schedule "B"
Merchant Remote Deposit Capture Service Agreement
Additional Terms

This Schedule "B" to the Nizari Progressive Federal Credit Union Merchant Remote Deposit Capture Service Agreement ("Agreement") is incorporated into and made a part of the Agreement. The Merchant Remote Deposit Capture Service is offered to qualified members only and is subject to the following additional terms:

Qualifying Criteria

- Users must be at least 18 years old to use the Services.
- Merchant Membership Accounts must be open for a minimum of six months.
- Member individual accounts and Merchant Accounts must be in good standing.
- No negative Account history, including excessive or repeated return items.
- Negative credit history will be cause for denial or termination of the Services.
- We may also consider additional factors in connection with your application for the Services.

Cutoff Time

Our cutoff time is: 4:00 PM (CT)

Checks received Monday through Friday on business days we are open and before our cutoff time will be processed on the same business day unless equipment failures, maintenance, or other conditions beyond our reasonable control prevent processing. In such case, Checks will be processed on our next business day, as will Checks received after the cutoff time.

Availability Schedule

Next day. Exceptions may apply.

Telephone Numbers for Confirming When a Deposit Will be Available for Withdrawal

(281) 921-8500 or (888) 786 1824

Endorsement Requirements for Checks deposited through the Mobile app

Check endorsements must include the following information. Remote deposits without proper endorsements will be rejected:

- Signature(s) of all required payees. For example, if a check is made payable to payees "A" or "B," either "A" or "B" may endorse the check without the other's endorsement. But if the check is made payable to payees "A" and "B," both payees are required to endorse. All Check payees must be owners on the Account into which the Check will be deposited.
- Write the words "FOR NIZARI PFCU MOBILE DEPOSIT ONLY" above your signature
- Member Number
- Account Number to receive deposit

Example:

FOR NIZARI PFCU MOBILE DEPOSIT ONLY
/s/ (signature)

123456-XXX (where 123456 is the member number and XXX is the Account suffix)

- Be sure to keep your endorsement within 1 ½ inches of the trailing edge of the check (the left side of the check looking at it from the front)
- Remember to retain the original check in a secure location for 60 days after we have notified you that we have accepted it.

Deposit Limits

- Per item limit is \$5,000 for checks deposited through RDC

Upon request, Check deposit limits may be increased subject to approval based on creditworthiness, Account history, length of membership, and other factors.