



REMOTE DEPOSIT TERMS AND CONDITIONS

Remote Deposit provides you the ability to access and make deposits to your designated eligible Accounts using Software referenced above. Remote Deposit is designed to take advantage of the Check Clearing for the 21st Century Act and its regulations (collectively, Check 21). Remote Deposit enables you to use a compatible handheld device to capture an image of original paper checks (Original Checks) that are drawn on or payable through U.S. financial institutions (each a Check Image) and to electronically submit the Check Image and associated deposit information to LOC FEDERAL CREDIT UNION from your home or other remote locations for deposit into a designated eligible Account for collection thereafter by LOC FEDERAL CREDIT UNION. A Check Image submitted to LOC FEDERAL CREDIT UNION electronically for deposit is not deemed received until LOC FEDERAL CREDIT UNION accepts and confirms receipt of your Check Image deposit.

Your use of Remote Deposit is subject to these requirements:

1. You must have or acquire and maintain a compatible handheld device and a wireless plan from a compatible wireless carrier.
2. You must qualify, and LOC FEDERAL CREDIT UNION must approve, your eligibility.

You may scan and submit Check Images for deposit to LOC FEDERAL CREDIT UNION within the dollar limits (Deposit Limits) established for you by LOC FEDERAL CREDIT UNION. LOC FEDERAL CREDIT UNION reserves the right to limit the frequency and dollar amount of deposits submitted through Remote Deposit. If you exceed the Deposit Limits established for you, LOC FEDERAL CREDIT UNION may in its sole discretion accept or refuse the Check Image deposit. If at any time LOC FEDERAL CREDIT UNION accepts a Check Image deposit that exceeds your Deposit Limits, LOC FEDERAL CREDIT UNION will have no obligation to do so in the future. LOC FEDERAL CREDIT UNION may at any time at its sole discretion raise or lower your Deposit Limits.

By requesting access to Remote Deposit, you authorize LOC FEDERAL CREDIT UNION to provide you with access to all of the Share Accounts eligible for Remote Deposit, which are a Primary Savings Account or a Checking Account and other Accounts as may be eligible in the future.

Endorsements and Procedures

You agree to endorse each check transmitted through the Service with your signature and/or business as it appears on the check and the endorsement "For mobile deposit only at LOC FCU Acct #." You also agree to follow all other procedures and instructions for use of the Service as LOC FCU may establish from time to time.

Scanning and submitting Check Image deposits does not constitute approval of the deposit by LOC FEDERAL CREDIT UNION. Generally, Check Image deposits received prior to 4:30 PM Eastern Time are posted to your account on the Business Day of receipt. Any Check Image deposit that requires review or that is received after 4:30 PM Eastern Time or on Saturdays, Sundays, federal holidays, Good Friday, Friday after Thanksgiving, Christmas Eve and New Year's Eve will be posted on LOC FEDERAL CREDIT UNION's next Business Day. Acknowledgment that your Check Image deposit has been received by LOC FEDERAL CREDIT

UNION does not mean that the Check Image deposit was received error free. Check Image deposits are generally subject to holds which may change at any time. Once a Check Image deposit has been approved and posted to your LOC FEDERAL CREDIT UNION account you will have immediate access to the first \$200 of the deposit. The remaining funds will be held for three business days.

You agree that you will use Remote Deposit to scan only Original Checks payable to and properly endorsed by you, drawn on financial institutions in the United States with a valid ABA/Routing Number and denominated in U.S. Dollars, and intended for deposit by you to your designated Account with LOC FEDERAL CREDIT UNION. All other items may be deposited by alternate methods such as in person or by mail.

You understand that LOC FEDERAL CREDIT UNION is not obligated to accept for deposit any Check Image that LOC FEDERAL CREDIT UNION in its sole discretion determines to be ineligible for Remote Deposit. Ineligible items include: Check Images of items drawn on banks located outside the United States, Check Images that are illegible, images of checks previously converted to Substitute Checks as defined by Check 21, and Check Images with unreadable MICR information. The quality of any Check Image must comply with the requirements established from time to time by any regulatory agency, clearing house or association. You acknowledge and agree that even if LOC FEDERAL CREDIT UNION does not identify a Check Image as ineligible, the Check Image may be returned to LOC FEDERAL CREDIT UNION because, among other reasons, the Check Image or any Substitute Check created from the Check Image is deemed ineligible by the financial institution upon which it is drawn or any intermediate collecting financial institution. LOC FEDERAL CREDIT UNION's failure to identify a Check Image you transmit to LOC FEDERAL CREDIT UNION as ineligible shall not preclude or limit your obligations.

You agree to be responsible for safekeeping and destruction of original items which are scanned, transmitted electronically and deposited using Remote Deposit and indemnify and hold LOC FEDERAL CREDIT UNION harmless from any liability with respect to (i) the safekeeping, use or destruction of the original items after they are scanned, transmitted and deposited electronically, or (ii) for any Items being submitted for deposit or presented for payment more than once. There are no laws or regulations that state how long original items should be retained prior to destruction; therefore, retention timeframes are set at the Member's discretion. You are responsible if an Original Check is misused following submission by Remote Deposit.

You make the following representations and warranties:

1. You shall not alter any Original Check or Check Image and shall review the Check Image to ensure that it accurately represents all of the information on the front and the back of the Original Check at the time you scanned the Check Image.
2. You shall submit to LOC FEDERAL CREDIT UNION only Check Images that are suitable for processing, including, but not limited to, Check Images that are legible and contain machine-readable MICR data.
3. You shall be responsible for safekeeping or destruction of the Original Checks as stated above.
4. You shall not submit to LOC FEDERAL CREDIT UNION or to any other person or entity for deposit or credit any Original Check if a Check Image of the Original Check has already been submitted and accepted for deposit into your Account with LOC FEDERAL CREDIT UNION or which you previously submitted to and was accepted by any other person or entity for deposit.
5. You shall not deposit into your Account with LOC FEDERAL CREDIT UNION or any other deposit taking institution, or otherwise negotiate or transfer to anyone, any Original

Check that you submitted as a Check Image deposit to LOC FEDERAL CREDIT UNION, unless following receipt of your submission, LOC FEDERAL CREDIT UNION notifies you that the Check Image is ineligible and not accepted for deposit or that the Check Image or any Substitute Check created from the Image is refused by the financial institution upon which it is drawn.

6. You shall indemnify, defend, and hold LOC FEDERAL CREDIT UNION and its agents from and against all liability, damage and loss arising from any claims, suits, or demands, brought by third parties with respect to any Check Image, Substitute Check, or Original Check processed through Remote Deposit as described above.
7. You shall use Remote Deposit only for your own personal, home office, or small business use in accordance with the terms of this Agreement. You shall not make Remote Deposit available or transfer your rights to use Remote Deposit for the benefit of any third party.

LOC FEDERAL CREDIT UNION will acknowledge receipt of your Check Image deposit submitted through Remote Deposit and notify you if a Check Image is not eligible for deposit. LOC FEDERAL CREDIT UNION's ability to provide Remote Deposit is conditioned upon the availability of the wireless or computer services and systems used in transmitting your requests and LOC FEDERAL CREDIT UNION's response. LOC FEDERAL CREDIT UNION shall not be liable or responsible for any loss or damage incurred due to the failure or interruption of Remote Deposit, wireless or computer services, or systems, resulting from the act or omission of any third party or other causes not reasonably within LOC FEDERAL CREDIT UNION's control. All fees and charges stated in the Truth in Savings Rate and Fee Schedule will remain in effect when you access your Account using Remote Deposit.

Disclaimer of Warranties. You agree your use of Remote Deposit 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. LOC FEDERAL CREDIT UNION disclaims 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. LOC FEDERAL CREDIT UNION makes no warranty that Remote Deposit (i) will meet your requirements, (ii) will be uninterrupted, timely, secure, or error free, (iii) that the results obtained from Remote Deposit will be accurate or reliable, and (iv) that any errors in the services or technology will be corrected. In no event will LOC FEDERAL CREDIT UNION be liable to you for any consequential, incidental, or indirect damage arising out of the use, misuse or inability to use Remote Deposit or for any loss of data, even if LOC FEDERAL CREDIT UNION has been advised of the possibility of such damage.

You agree that LOC FEDERAL CREDIT UNION may provide you with all disclosures, notices, and other communications about Remote Deposit, and any future amendments, changes, or additions to this Agreement in electronic form. At your request, LOC FEDERAL CREDIT UNION agrees to provide you with a paper copy of this Agreement by calling 248-474-2200. Your consent to receive notices and updates in electronic form only will apply for as long as you use Remote Deposit. You may withdraw your consent to receive electronic communications at any time by calling 248-474-2200. This Agreement may be downloaded at www.locfederal.com.

LOC FEDERAL CREDIT UNION may amend or change the terms and conditions stated in this Agreement (including changes in the fees and charges hereunder) by giving notice to you as required by law or regulation. Prior notice need not be given where an immediate change in terms or conditions is necessary to maintain or restore the security of Remote Deposit or the safety of LOC FEDERAL CREDIT UNION's relationship with you or is otherwise required immediately by law or applicable regulation.

The following provisions are applicable to sole proprietorships, partnerships, limited liability companies, corporations, and other forms of business organization that are not consumer accounts and are not maintained primarily for personal, family, or household purposes:

1. LOC FEDERAL CREDIT UNION is not responsible for any loss, injury or damage, whether direct, indirect, special, consequential, exemplary, economic or otherwise, caused by Remote Deposit or the use of Remote Deposit except as otherwise expressly provided for in this Agreement or by applicable law. You are responsible for any unauthorized use of Remote Deposit and any loss or damages incurred due to the unauthorized access to your Accounts.
2. If any person with authorized access through Remote Deposit is no longer authorized, it is your responsibility to notify LOC FEDERAL CREDIT UNION. LOC FEDERAL CREDIT UNION shall not be liable or responsible to you for any transactions conducted by any person whose authority to conduct transactions is no longer in effect until LOC FEDERAL CREDIT UNION is expressly notified.