

DEPOSIT ON-THE-GO TERMS

These Deposit On-the-go Terms govern the Depositor's use of the Deposit On-the-go Service and are in addition to, and are an amendment to, the Account and Services Agreement between the Depositor and Coast Capital Savings® Credit Union (CCS). In exchange for CCS providing the Deposit On-the-go Service, the Depositor agrees as follows:

1. DEFINITIONS

Terms having a meaning defined in the Depositor's Account and Services Agreement will have the same meaning when used in these Deposit On-the-go Terms, unless the context otherwise requires, and the following terms shall have the following meanings:

"Access Terminal" means any device or other means authorized from time to time by CCS, in its sole discretion, for use with the Deposit On-the-go Service, such as a mobile phone with internet connectivity.

"Account and Services Agreement" means the Personal Account and Services Agreement between the Depositor and CCS or the Business Account and Services Agreement between the Depositor and CCS, as applicable.

"Central 1" means Central 1 Credit Union.

"Deposit On-the-go Service" means the remote deposit capture service provided by CCS and Central 1, and accessed through Coast Mobile® Banking, that allows the Depositor, using an Access Terminal, to create, transmit, and receive to the benefit of CCS an Official Image for deposit to an Account.

"Depositor" has the following meanings: (a) if the Account and Services Agreement is a Personal Account and Services Agreement, "Depositor" means the Member under that Personal Account and Services Agreement; and (b) if the Account and Services Agreement is a Business Account and Services Agreement, then "Depositor" means the Business Customer under that Business Account and Services Agreement and the Account Agreement referred to in that Business Account and Services Agreement.

"Eligible Bill" means a bill that is of a class specified by a by-law, a Rule, or a standard made under the *Canadian Payments Act*, and defined therein as an 'eligible bill'. For greater certainty, under these Deposit On-the-go Terms, an Eligible Bill supporting an Official Image must be a paper-based Instrument, complete and regular on its face, immediately payable to the Depositor as payee, and be either a cheque, bank draft, or credit union official cheque, denominated in Canadian dollars and drawn on a financial institution domiciled in Canada, as and if applicable. For the purposes of these Deposit On-the-go Terms, third party Instruments that were either delivered to the Depositor with the payee in blank or endorsed over to the Depositor and post-dated Instruments shall not qualify as Eligible Bills. Further, any Instrument that has been in any way transferred to the Depositor from anyone other than the drawer, endorsed over to the Depositor, or altered after being drawn shall not qualify as an Eligible Bill.

"Instrument" means a cheque, promissory note, bill of exchange, order for payment, security, cash, coupon, note, clearing item, credit card slip for processing, other negotiable instrument, or item of deposit or withdrawal of a similar nature and its electronic equivalent, including electronic debit instructions.

"Notice Contact Information" means the contact information, including without limitation, postal address, email address, fax number, or telephone number, provided by the Depositor to, and accepted by, CCS, through which CCS gives written notice to the Depositor in accordance with these Deposit On-the-go Terms.

"Official Image" means an electronic image of an Eligible Bill, either created in accordance with the provisions of these Deposit On-the-go Terms or that otherwise complies with the requirements to permit negotiation and clearing of that Eligible Bill in accordance with the by-laws, standards, or Rules of the Canadian Payments Association.

"Rules" means the published rules and standards of the Canadian Payments Association as amended from time to time.

2. DEPOSIT ON-THE-GO SERVICES

The Depositor agrees as follows:

- (a) Solely for the Deposit On-the-go Service, CCS appoints the Depositor as its agent, to act on behalf of CCS in the creation and transmission of an Official Image to CCS, and any other related duties that may be required by CCS, all in accordance with the Rules and applicable legislation governing Instruments. In this context, transmission to and receipt by CCS of the Official Image will have the same effect as if the Instrument was delivered to a branch of CCS for negotiation and clearing. The Depositor acknowledges and agrees that this role as agent cannot be further delegated by the Depositor. Further, the Depositor acknowledges and agrees that the Depositor shall be personally responsible and liable for:
 - (i) compliance with these Deposit On-the-go Terms;
 - (ii) maintaining adequate security over any Access Terminal used, the location of use of the Access Terminal, and any passwords so as to prevent use by others or interception of data transmitted;
 - (iii) ensuring that all Official Images created and transmitted are of good quality and fully and accurately capture all material details of the Eligible Bill;
 - (iv) maintaining adequate safeguards and procedures for the preservation of originals of all Eligible Bills transmitted as Official Images; and
 - (v) verifying that deposits expected to be made to an Account reconcile with dates and amounts applicable to transmissions made using the Deposit On-the-go Service and for providing immediate notice to CCS of any errors, omissions, irregularities, or concerns about suspicions of fraudulent Instruments or compromise of the security applicable to the use of the Deposit On-the-go Service.
- (b) CCS may, upon receipt of what reasonably appears to qualify as an Official Image, treat such as an Official Image as if it were an original of an Instrument received at a branch of CCS, subject to the Account and Services Agreement and any policies of CCS governing Instruments.
- (c) The creation of an Official Image will be done using a method authorized by CCS, in its sole discretion, from time to time. Further, the Depositor agrees to take all proper and necessary precautions to prevent any other person from purporting to create or transmit an Official Image to the credit of the Depositor's Account.
- (d) Nothing in these Deposit On-the-go Terms obliges CCS to accept for deposit any item whether it is or purports to be an Official Image. The Depositor shall not purport to create or transmit an Official Image of any item that does not qualify as an Eligible Bill or any item that is post-dated, stale-dated, received by the Depositor from anyone other than the drawer of that item, or that is in any way altered. If the Depositor has any suspicions or concerns about the authenticity, validity, negotiability, or chain of title to any item purporting to be an Eligible Bill, then the Depositor shall not seek to use the Deposit On-the-go Service for negotiation or collection of that item, but will instead bring the original of that item to the counter of the branch of Account, identify the specific concerns to CCS, and fully disclose all material facts known by the Depositor relating to that item and fully cooperate with any inquiry or investigation of the concerns.
- (e) Under the Deposit On-the-go Service, Eligible Bills are restricted to those Instruments in Canadian dollars, drawn on a financial institution domiciled in Canada, as and if applicable, in the sole discretion of CCS from time to time. The Depositor shall not seek to use the Deposit On-the-go Service to deposit any Instrument into an Account different than the currency denominated on the Instrument. Canadian dollar Instruments shall only be deposited to a Canadian dollar Account.

- (f) Official Images received through the Deposit On-the-go Service are subject to number and dollar limits that may change from time to time without prior notice to the Depositor.
- (g) Any Transaction made on any day or at any time during which CCS is not open for business, may be credited to the Account on the next business day of CCS.
- (h) Once an Official Image of an Eligible Bill has been transmitted to CCS through the Deposit On-the-go Service, no further Official Images of that Eligible Bill will be created or transmitted through the Deposit On-the-go Service (or any other similar service) unless the Depositor is requested to do so by CCS in writing. Further, the Depositor agrees to make no further use of the original of an imaged Eligible Bill, and shall safely retain possession of the original of the Eligible Bill without further negotiation, transfer, or delivery to any other person or holder. In addition to all obligations and responsibilities either set forth in these Deposit On-the-go Terms or elsewhere, the Depositor agrees to indemnify and hold CCS and its service providers and Central 1 and all of their connected parties, including, without limitation, their respective agents, directors, officers, employees, affiliates, and licensees (collectively, the "Indemnified Parties") harmless from and against any and all liabilities and costs, including, without limitation, reasonable legal fees and expenses incurred by the Indemnified Parties in connection with any claim or demand arising out of or connected to the Depositor's use of the Deposit On-the-go Service or duplicate negotiation of items that were at any time presented as Official Images of Eligible Bills. The Depositor must assist and cooperate as fully as reasonably required by the Indemnified Parties in the defence of any such claim or demand. The disclaimers, liability exclusions, liability limitations, and indemnity provisions in these Deposit On-the-go Terms and in the Account and Services Agreement survive indefinitely after the termination of these Deposit On-the-go Terms or the Account and Services Agreement and apply to the extent permitted by law. Without limiting the foregoing, the Depositor will indemnify and save the Indemnified Parties harmless from and against all liabilities, costs, losses, expenses, and damages, including direct, indirect, and consequential incurred by the Indemnified Parties as a result of any breach of these Deposit On-the-go Terms, or any claims arising from or relating to misuse of Official Images or items purporting to be Official Images, or negotiation of Eligible Bills where an Official Image has also been transmitted for collection.
- (i) On transmission of an Official Image of an Eligible Bill to CCS, the Depositor will immediately mark the face of the Eligible Bill with a blatant notation or mark that prevents renegotiation of the Eligible Bill and indicates that the Eligible Bill has been imaged and transmitted, taking care not to obliterate any material particulars of that Eligible Bill. (For example: This can be done by writing "void" or "paid" or placing a diagonal stroke across the face of the item with a pencil, pen, or brightly colored highlighter.) For a period of 90 days after transmission of the Official Image to CCS, or such shorter period as stipulated by CCS in writing, the Depositor shall retain and produce to CCS on written request the original of all imaged Eligible Bills. If the Depositor receives a written request to retain or produce, the Depositor will comply with the written request, and shall, if requested, produce, by delivering to CCS, the original of all specified Eligible Bills within 5 business days of such request. If the Depositor fails to comply with the written request made pursuant to this provision, then CCS can place a hold on or reverse any credit made to an Account in relation to those specified Eligible Bills, even if such creates an overdraft on the Account. If no written request is received within that time, then not later than 120 calendar days after an Official Image has been transmitted to CCS through the Deposit On-the-go Service or such shorter period as stipulated by CCS in writing, and provided that the Depositor has verified a credit to the Account that reconciles to the Official Image transmitted, the Depositor agrees to destroy the original of the Eligible Bill. Destruction methods include shredding, pulping, burning, or any other means that ensures that the original Instrument cannot be reused.
- (j) The Depositor is responsible for any and all costs associated with obtaining a replacement Instrument in the event that CCS requests that the Depositor re-transmit an Official Image in accordance with clause (h), and the original Instrument was destroyed in accordance with clause (i) or otherwise lost.

- (k) In CCS's sole discretion, electronic notices for purposes related to the Deposit On-the-go Service may be generated and sent to the Depositor at the Notice Contact Information after the Depositor uses the Deposit On-the-go Service to transmit an Official Image, including to advise the Depositor of the receipt by CCS of an Official Image. To receive such electronic notices, the Depositor must provide the Notice Contact Information required by CCS.
- (l) An electronic notice, if any, sent in connection with the Deposit On-the-go Service is for information purposes only and is no guarantee that the Official Image will be accepted by CCS or that the Account will be credited.
- (m) CCS will not be liable for any cost, expense, loss, damage, or inconvenience of any nature or kind whatsoever arising as a result of use of the Deposit On-the-go Service, including, but not limited to, a delay in processing a Transaction or CCS requiring the Depositor to obtain another Instrument.
- (n) CCS retains the right to suspend or terminate the Depositor's use of the Deposit On-the-go Services at any time, with or without notice.
- (o) Central 1 is not a party to these Deposit On-the-go Terms or the Account and Services Agreement, but is an intended third party beneficiary of these Deposit On-the-go Terms and the Account and Services Agreement. Central 1 shall be entitled to rely on each provision of these Deposit On-the-go Terms and each provision of the Account and Services Agreement that limits the liability of CCS, that provides for the indemnification of CCS, or that imposes other obligations on the Depositor, as if each such provision expressly referred to both CCS and Central 1 and limited the liability of Central 1, provided for the indemnification of Central 1, or imposed other obligations on the Depositor.
- (p) The Depositor hereby grants and agrees to grant to CCS and its clearing agents and other service providers (including Central 1) all consents, authorizations, permissions, rights and licenses (including consents and licenses regarding Captured Images/Data) necessary to perform and provide the Deposit On-the-go Service in accordance with these Deposit On-the-go Terms and the Account and Services Agreement, and to lawfully deposit and clear Eligible Bills using Captured Images/Data. The Depositor hereby grants and agrees to grant to Central 1 a non-exclusive, irrevocable, perpetual, royalty-free, world-wide right and license to Use and authorize other persons to Use Captured Images/Data and Provisioning Data, including to create Official Images and CRDs, solely for the purpose of providing services to CCS and the Depositor relating to the Deposit On-the-go Service, and performing Central 1's obligations to CCS and enforcing Central 1's rights against CCS and the Depositor in relation to the Deposit On-the-go Service. In this clause (p): (i) "Captured Images/Data" means collectively: (A) images of the front and back of an Eligible Bill; and (B) information regarding an Eligible Bill required by the Deposit On-the-go Service; (ii) "CRD" means clearing replacement document, which is a form of printout of an Official Image relating to an Eligible Bill that is intended to be dealt with and used in place of the original paper Eligible Bill; (iii) "Provisioning Data" means data regarding a Depositor (including limits imposed by CCS on the Depositor's use of the Deposit On-the-go Service and the Depositor's deposit accounts, if applicable) submitted on a periodic basis or in real time by CCS to the systems of Central 1 in connection with the Deposit On-the-go Service; and (iv) "Use" means any and all forms and methods of use, including to copy, reproduce, load, install, access, configure, reformat, modify, adapt, alter, edit, change, delete, enhance, translate, host, store, backup, archive, combine with and incorporate into other works, create derivative works from, print to paper format, and display, distribute and communicate.
- (q) If the Account and Services Agreement is a Personal Account and Services Agreement, then the Member will cause each of the individuals comprising the Member and each person authorized by any one or more of such individuals to use the Deposit On-the-go Service to comply with all of the obligations of the Depositor under these Deposit On-the-go Terms.
- (r) If the Account and Services Agreement is a Business Account and Services Agreement, then the Business Customer will cause each of the persons comprising the Business Customer, each of its signing authorities,

and each person authorized by any one or more of such persons or such signing authorities to use the Deposit On-the-go Service to comply with all of the obligations of the Depositor under these Deposit On-the-go Terms.

3. CHANGES TO THE DEPOSIT ON-THE-GO TERMS

CCS may change the terms of these Deposit On-the-go Terms from time to time. CCS will inform the Depositor of any change by a notice provided by any of the means which CCS is authorized to use under the Account and Services Agreement for a change in the terms of the Account and Services Agreement.

The effective date of the change will be set out in the notice.

Use of the Deposit On-the-go Service after the effective date of any change will be deemed acceptance of such change.

4. GENERAL TERMS

These Deposit On-the-go Terms and the Account and Services Agreement shall, to the extent permitted at law, be read together as if both documents were contained in the same instrument. All references to "this Agreement" in the Account and Services Agreement shall be deemed to be references to the Account and Services Agreement as amended and supplemented by these Deposit On-the-go Terms. For greater certainty, the Deposit On-the-go Service is both a Service and an E-Service under the Account and Services Agreement and, without limitation, in its provision of the Deposit On-the-go Service CCS is entitled to rely on any of the provisions of the Account and Services Agreement that limit the liability of CCS, that provide for the indemnification of CCS, or that impose other obligations on the Depositor. In the event of any inconsistency between a provision of these Deposit On-the-go Terms and a provision of the Account and Services Agreement, the provision of these Deposit On-the-go Terms shall prevail.

These Deposit On-the-go Terms are intended to be interpreted in accordance with their plain English meaning.

If any provision of these Deposit On-the-go Terms is determined to be invalid or unenforceable, the remainder of these Deposit On-the-go Terms will continue in full force and effect.

A waiver by CCS of the application of any provision of these Deposit On-the-go Terms will not create a waiver of any past or future application of that provision or any other provision of these Deposit On-the-go Terms. No waiver by CCS will be effective unless made in writing by a person with actual authority to grant the waiver on behalf of CCS. CCS's failure or delay in exercising any right under these Deposit On-the-go Terms will not create a waiver of that right or any other right under these Deposit On-the-go Terms. A single or partial exercise of any right will not preclude CCS from any other or further exercise of that right or the exercise of any other right it may have.

All provisions of these Deposit On-the-go Terms or the Account and Services Agreement that limit the liability of CCS or that provide for indemnification of CCS will survive the closing of the Accounts and the termination of these Deposit On-the-go Terms or the Account and Services Agreement. Each provision of these Deposit On-the-go Terms or the Account and Services Agreement that limits the liability of CCS or that provides for indemnification of CCS is independent, and no such provision shall be interpreted as limiting the effect of any other such provision.

If the Account and Services Agreement is a Personal Account and Services Agreement, then these Deposit On-the-go Terms bind the Depositor and the Depositor's heirs, executors, administrators, successors and assigns, and, if the Accounts are Joint Accounts, these Deposit On-the-go Terms bind each of the persons comprising the Depositor and the heirs, executors, administrators, successors and assigns of each of them. If the Account and Services Agreement is a Business Account and Services Agreement, then these Deposit On-the-go Terms bind each person comprising the Business Customer and their heirs, executors, administrators, successors, and assigns, directors, officers, and employees, and agents, as applicable, to the extent of their dealings with CCS in respect of Accounts, as well as their predecessors, liquidators, receivers, receiver managers, and trustees.

These Deposit On-the-go Terms and the obligations of the Depositor and CCS are governed by the laws of the Province of British Columbia and the federal laws of Canada applicable in British Columbia, and will be enforced in the courts of the Province of British Columbia.

The bold headings are for easy reference only and are not intended to affect the interpretation of the more detailed provisions under each heading.

The Depositor acknowledges receipt through the CCS Website or otherwise, of a true copy of these Deposit On-the-go Terms.