

## **HERITAGE SOUTH CREDIT UNION MOBILE REMOTE DEPOSIT SERVICES AGREEMENT**

Mobile Deposit is designed to allow you (the accountholder) to make deposits of checks (“original checks”) to your checking and money market accounts by imaging (using the app on your smart phone) original checks and delivering the digital images and associated deposit information (“images”) to us (Heritage South Credit Union) or our processor with your Mobile Device. After you login to Mobile Banking, you may apply for Mobile Deposit.

**Limits:** We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the service and to modify such limits from time to time. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times.

**Member Eligibility:** The following is required for approval to use the Mobile Remote Deposit Capture service:

- Checking or Savings accounts must be opened for at least 30 days.
- You must not have incurred a charge off or loss on any HSCU account –Outstanding or Paid.
- Positive Average Monthly Balance History for past 12 months.
- Loan payments must be current.
- Address on the account must be valid
- Your account must not have any restrictions placed on it.
- Only youth and regular accounts qualify
- Business accounts can be approved by management
- You must be enrolled in E-Statements, valid email address required

**Eligible items:** You agree to image and deposit only checks (*i.e.*, drafts drawn on a credit union, savings and loan or bank and payable on demand.)

You agree that you will not use Mobile Deposit to deposit:

- Checks payable to any person or entity other than you (*i.e.*, payable to another party and then endorsed to you).
- Checks payable to you and another party who is not a joint owner on the account.
- Checks that contain evidence of alteration, or that you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.

**Requirements:** Each image must provide all information on the front and back of the original check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying bank that is preprinted on the original check, MICR information, signature(s), any required identification written on the front of the original check and any endorsements applied to the back of the original check. The image quality must meet the

standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. Your endorsement must include your signature and “for mobile deposit only”. Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

A check payable to two payees must be endorsed by both payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and your joint owner, both of you must endorse the check.

**Receipt of Deposit:** All images processed for deposit through Mobile Deposit will be treated as “deposits” under your current Account Agreement with us and will be subject to all terms of the Account Agreement. When we receive an image, we will confirm receipt via email to you. We shall not be deemed to have received the image for deposit until we have confirmed receipt to you. Confirmation does not mean that the image contains no errors. We are not responsible for any image that we do not receive. Following receipt, we may process the image by preparing a “substitute check” or clearing the item as an image. We reserve the right, at our sole and absolute discretion, to reject any image for remote deposit into your account. We will notify you of rejected images.

Any deposit received after 2:00 pm will be posted the following business day. Deposit time is based on receipt of deposit by HSCU’s system.

**Original checks:** After you receive confirmation that we have received an image, you must securely store the original check for 60 calendar days after transmission to us and make the original check accessible to us at our request. Upon our request, from time to time, you will deliver to us, within 10 calendar days and at your expense, the requested original check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after such period expires, you must destroy the original check by first marking it “VOID” and then destroying it by cross-cut shredding or another commercially acceptable means of destruction. *After destruction of an original check, the image will be the sole evidence of the original check. Destruction of the original check is the responsibility of the accountholder and HSCU cannot be held liable for failure to properly dispose of said item.*

You agree that you will never re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

**Returned Deposits:** Any credit to your account for checks deposited using Mobile Deposit is provisional. If original checks deposited through Mobile Deposit are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, issues relating to the quality of the

image, you agree that an original check will not be returned to you, but that we may charge back the amount of the original check and provide you with an image of the original check, a paper reproduction of the original check or a substitute check. You will reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned item. Without our approval, you shall not attempt to deposit or otherwise negotiate an original check if it has been charged back to you.

We may debit any of your accounts to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

**Your Warranties:** You make the following warranties and representations with respect to each image:

- Each image is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine, and accurate.
- You will not deposit or otherwise endorse to a third party the original check and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the original check or a paper or electronic representation of the original check such that the person will be asked to make payment based on an item that has already been paid.
- There are no other duplicate images of the original check.
- The original check was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of the original check.
- You have possession of the original check and no party will submit the original check for payment.

With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule. You agree that files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

**Compliance with Law:** You will use Mobile Deposit for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations.

**Mobile Deposit Unavailability:** Mobile Deposit may be temporarily unavailable due to system maintenance or technical difficulties, including those of the Internet service provider, cellular service provider and Internet software. In the event that Mobile Deposit is unavailable, you may deposit original checks at our branches.

**Funds Availability:** For purposes of funds availability, Mobile Deposits are considered deposited at a branch of this financial institution. Mobile Deposits confirmed as received

before close of business on a business day will be credited to your account within 24 hours of receipt. Deposits confirmed received after close of business, and deposits confirmed received on holidays or days that are not business days will be credited to your account within 24 hours of the following business day. Funds will be available as described in our Funds Availability Disclosure.

**Regulation D:** Certain accounts at all financial institutions are affected by the Federal Reserve Board's Regulation D. At Heritage South Credit Union, these accounts are the Savings Accounts, Money Market Accounts and Christmas Club Accounts. Transactions from HSCU Checking Accounts are NOT limited by this regulation. The limitation does not apply to in-person transfers, ATM transfers or pre-authorized payments to a loan at the same Credit Union. Pursuant to Regulation D, electronic transfers from these Saving Accounts are limited to no more than six (6) per calendar month. This includes transfers caused by overdrafts on your account. If you exceed these limitations, even though there is money in your Savings Account, the transfer will not take place. This can result in fees being imposed and exceeding these Regulation D limitations may cause your account to be closed.

**Mobile Deposit Security:** You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately by telephone with written confirmation if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit and monitor you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

**Your Responsibility:** You are solely responsible for the quality, completeness, accuracy, validity and integrity of the image. You are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us or if Mobile Deposit is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us. In addition you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, copy or reproduce all or any part of the technology or Service; or interfere, or attempt to interfere, with the technology or Service.

**Accountholder's Indemnification Obligation:** You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

**DISCLAIMER OF WARRANTIES.**

**YOU AGREE THAT YOUR USE OF ANY REMOTE BANKING SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY REMOTE BANKING SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT ANY REMOTE BANKING SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY REMOTE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.**

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

**Financial Information.**

You must inform us immediately of any material change in your financial circumstances or in any of the information provided in your Application for any Remote Banking services. You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your history from time to time.

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Member Signature and Date

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Employee Signature and Date