

This Mobile Remote Deposit Capture User Agreement (“Agreement”) contains the terms and conditions for using the UVA Community Credit Union’s Mobile Remote Deposit Capture Services (“Service”). This Service is available to members of the UVA Community Credit Union (“Credit Union”) who are in good standing (“you” or “your”), who maintain an open checking account, and who use the Credit Union’s Online Mobile Banking Application. The Credit Union reserves the right to restrict the use of this Service based on various qualifying factors, including but not limited to, a member’s credit worthiness. The Credit Union also reserves the right to suspend or discontinue your use of this Service at any time without prior notice to you. Your use of this Service constitutes your acceptance of the terms of this Agreement.

## 1. Services

The Mobile Remote Deposit Capture Service is designed to allow you to make deposits to your checking or savings accounts from home or other remote locations by scanning checks and delivering images and associated deposit information to UVA Community Credit Union (“Credit Union,” “We,” “Us” or “Our”) or our designated processor.

## 2. Fees

There is currently no charge for your use of this Service. However, the Credit Union may, upon providing the proper notice to you as required by law, charge a fee for the use of this Service. This fee will be disclosed in the “Personal Fee Schedule” for consumer accounts and the “Business Fee Schedule” for commercial accounts. If you continue to use this Service after the fee becomes effective, you agree to pay such service fee as disclosed to you and which we reserve the right to change from time to time.

## 3. Deposit Limits

You agree to adhere to the limits on the dollar amount and/or the number of deposited items that may be submitted with respect to the use of the Service as established by the Credit Union from time to time. If we allow you to submit a deposit in excess of any such limit, such deposit will be subject to the terms of this Agreement, and our acceptance of such deposit will not be deemed to constitute our agreement to permit any future deposits in excess of any such limit.

An online deposit session occurs when you select the Mobile Deposit menu option in our Online Mobile Banking Application and post the total amount of the deposit to your account. Each login that results in a posted online deposit is considered an online deposit session.

We reserve the right to modify the limits on the amount(s) and/or the number of deposits you transmit using this Service.

In consideration of your use of this Service, you agree to the following:

- You will only make check deposits from reputable and trustworthy sources and in accordance with the terms and conditions of this Agreement.
- You will not transmit duplicate checks.
- You will not re-deposit or re-present the original check.
- **By utilizing this Service, you agree to restrictively endorse the back of any check transmitted through this Service with this REQUIRED wording: “For Mobile Deposit Only to UVACCU account # \_\_\_\_\_”. Followed by your signature.**
- **You will fully cooperate with us in any investigation involving deposited checks.**
- You agree to scan and deposit only “Checks” as that term is defined in Federal Reserve Regulation CC (“RegCC”). You agree that the image of the check transmitted to us shall be deemed a check within the meaning of Article 4 of the Uniform Commercial Code as adopted in the State of Virginia.
- You agree to retain checks transmitted under this Agreement for thirty (30) days after you see credit for the check appear in your account. During this retention period you agree to provide us with the original paper check upon our request.

#### 4. Ineligible Checks

You agree that you will not scan and deposit any of the following types of checks, which for purposes of this Agreement shall be considered ineligible checks:

- Checks payable to any person or entity other than you.
- Checks drawn on an account that you control at UVA Community Credit Union.
- Checks payable jointly, unless deposited into an account in the name of all payees.
- Travelers checks
- Government checks
- Checks stamped with a “non-negotiable” watermark.
- Checks containing obvious alteration to any fields on the front of the check 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.
- Checks previously converted to a substitute check, as defined in Reg CC.
- Checks drawn on a financial institution outside the United States.
- Checks that are incomplete. An incomplete check is any check that does not contain signatures of the maker or endorsement signatures, or is missing any of the information required during key-entry in an online deposit session.
- Checks that are remotely created checks, as defined by Reg CC.
- Checks not payable in United States currency.
- Third party checks.
- Checks with any endorsement on the back other than that specified in this Agreement.
- Checks that have previously been submitted through this Service or through a Remote Deposit Capture Service offered at any other financial institution.
- Checks dated more than six (6) months prior to the date of deposit.
- Checks prohibited by our current procedures relating to this Service or that are otherwise not acceptable under the terms of your UVA Community Credit Union account.

Online deposits of any of the above-listed ineligible checks may result in the Credit Union’s immediate suspension of a depositor’s authority to use this Service, and may subject the depositor to liability under this Agreement and/or applicable law, including possible criminal prosecution.

The Credit Union retains the right to reject any check that we, in our sole discretion, determine to be ineligible for this Service.

#### 5. Image Quality

The image of a check transmitted to us using this Service must be legible, as determined at the sole discretion of the Credit Union. Without limiting the foregoing, the image quality of a check must comply with the requirements established from time to time by the Credit Union, ANSI, the Board of Governors of the Federal Reserve Board or any other regulatory agency, clearing house or association.

Each check image shall be of such quality that all of the following information can clearly be read and understood by sight review of such image:

- the amount of the check
- the payee of the check
- the signature of the drawer of the check
- the date of the check
- the check number
- the information identifying the drawer and the paying bank that is preprinted on the check, including the MICR line
- all other information placed on the check prior to the time the image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check

You shall also capture and transmit to us the full-field MICR encoding on each check. In accordance with our procedures, you shall ensure that all of the following information is captured from the MICR line of each check:

- the ABA routing transit number (“RTN”)
- the number of the account on which the check is drawn
- when encoded, the amount of the check
- when encoded, the serial number and the process control field of the check

## **6. Endorsements and Procedures**

You agree to follow any and all procedures and instructions for use of this Service as we may establish from time to time.

## **7. Disposal of Transmitted Checks**

Upon receipt of confirmation from us that we have received an image of a check, you agree to prominently mark the check as “Electronically Presented” or “VOID”, or to otherwise render the check incapable of further transmission, deposit, or presentment. If requested by us, you will promptly provide any retained check or a sufficient copy of the front and back of the check to us to aid in the clearing and collection process, to resolve claims by third parties with respect to the check or for our audit purposes.

You agree to retain the original check for at least thirty (30) days from receipt of confirmation from us that we have received an image of the check. After thirty (30) days you agree to destroy the check that you transmitted to ensure that it is not re-presented.

## **8. Availability of Funds**

You agree that checks transmitted using this Service are subject to the funds availability requirements of Federal Reserve Board Regulation CC. In general, if an image of a check you transmit through this Service is received and accepted before 4:00 p.m. Eastern Time on a business day that we are open, we consider that day to be the date of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are open. Funds deposited using this Service will generally be made available in two business days beginning with the date of the deposit. For example, a check received before 4:00 p.m. Eastern Time on Monday would generally be made available on Wednesday. We reserve the right to review any check you submit through this Service and reject the check if, in our sole discretion, we determine the check to be ineligible for this Service. Such a review may result in a delay in the availability of funds as outlined above.

Any crediting of your account for checks deposited via this Service is provisional, subject to verification and final settlement. Any dishonored checks will be returned as an image of the original or as a substitute check. Any check that is returned or dishonored may be charged to your deposit account or any other account in your name. Any dishonored check is subject to a fee according to the Credit Union’s Personal or Business Fee Schedule at the time of the return specific to your account type.

You also agree that the Credit Union, at its discretion, may place an additional hold on any check for a reasonable period until the settlement of the check is deemed to be complete.

## **9. Warranties and Representations**

You represent, warrant and covenant the following to us:

- **Checks Deposited**
  - o You shall only deposit checks that are authorized by this Agreement and the Membership and Account Agreement
- **Image Quality**
  - o Each image transmitted by you to us contains an accurate representation of the front and the back of each check and complies with the requirements of this Agreement.
- **Accuracy of Information**
  - o All data and other information submitted by you to us, including but not limited to data contained in the MICR line of each check, are complete and accurate and comply with the requirements of this Agreement.

- **No Duplicates**
  - o You will not: (i) create duplicate images of the checks, (ii) transmit a duplicate image or file to us or (iii) deposit or otherwise negotiate the original of any check of which an image was created. You further warrant that no subsequent transferee—including but not limited to us, a collecting or returning bank, drawer, drawee, payee or endorser—will be asked to pay the original check from which the image(s) was created or a duplication (whether paper or electronic) of the check(s).
- **No Loss**
  - o No subsequent transferees of the check(s)—including but not limited to us, a collecting or returning bank, drawer, drawee, payee or endorser—shall sustain a loss as the result of the fact that the image was presented for payment or returned instead of the original check.
- **Information**
  - o All information provided by you to us is true, complete and accurate and properly reflects your business; financial condition; and principal partners, owners or officers. You are not engaged in or affiliated with any businesses, products or methods of selling other than those disclosed by you to us.
- **Authority and Legality**
  - o You are authorized to enter into, and perform your obligations under this Agreement; (i) the person signing this Agreement on behalf of you is duly authorized to execute this Agreement; (ii) this Agreement is valid and enforceable against the member in accordance with its terms; and (iii) the entry into and performance of this Agreement by you will not violate any law, or conflict with any other agreement, to which you are subject.
- **No Litigation (Commercial Accounts Only)**
  - o There is no action, suit or proceeding pending or, to your knowledge, threatened that if decided adversely would impair your ability to carry on your business substantially as now conducted or that would adversely affect your financial condition or operations.
- **Transactions**
  - o All your checks are and will be bona fide. All signatures on checks are authentic and authorized.
- **Rule Compliance**
  - o You submit checks and files in compliance with this Agreement and applicable laws.
- **Computer Virus**
  - o No images contain any computer viruses or other harmful, intrusive or invasive codes that you are aware of.

## 10. Returned Checks

### a. Charge-back of Returned Checks

If images of checks deposited by you are dishonored or otherwise returned unpaid by the drawee bank or are returned by a clearing agent for any reason, including but not limited to issues relating to the quality of the image, you understand and agree that, since you either maintain the original check or have destroyed it in accordance with the Disposal of Transmitted Checks section of this Agreement, the original check will not be returned, and we may charge back an image of the check to your account. You understand and agree that the image may be in the form of an electronic or paper reproduction of the original check or a substitute check. Unless otherwise instructed by us, you agree not to deposit the original check if an image or other debit as previously described is charged back to you.

### b. Special Instructions

You may request that we re-present returned images of checks to the drawee or process returned images of checks according to instructions provided by you to us. These special instructions may be given to us in a separate document in conjunction with or subsequent to the execution of this Agreement. We shall not be bound by such special instructions until such time as we have agreed in writing to accept them. Notwithstanding the fact that we have agreed to accept the special instructions, we may, in our sole discretion, disregard the special instructions and charge there turned check back to your account to which the checks were deposited. In the event that you have requested that returned images of checks be re-presented, in no event will we re-present an image of a check in excess of the limit established or permitted for the number of times that a check may be re-presented. You may change or amend the special instructions by providing us with a written request to change or amend the special instructions. Changes or amendments to the special instructions shall not become effective until acknowledged and accepted in writing by us. You hereby agree to pay us the fees for processing returned checks and special instructions contained in our current schedule of fees for such services.

## 11. Processing Fees

You agree to immediately reimburse us for any negative balance in your account caused by your use of Mobile Remote Deposit. In the event legal action is required, you agree to pay us for our reasonable attorney's fees and court costs. If your use of Mobile Deposit causes a negative balance in your account, you also agree to pay our overdraft fee as disclosed in the Personal or Business Fee Schedules specific to your account type.

We will not be liable for negative balances on accounts caused by the nonpayment of checks due to insufficient funds, delays in the mail service or for any action by you or any authorized users of the account that results in the reversal of a deposit on the account.

We reserve the right to discontinue Mobile Remote Deposit or to suspend account access at any time due to a change in business conditions or the failure of any member to abide by the Online Banking Services Agreement, this Agreement or any other applicable UVA Community Credit Union Agreements and Disclosures.

## 12. Liability for Unauthorized Use

CONTACT US IMMEDIATELY if you believe that unauthorized activity has been conducted through this Service. Call our Accounting department when you become aware of any activity at 888-887-9136. Quick action could reduce the impact of these activities on your account.

Additionally, if your account statement shows an error or transactions that you did not make, let us know at once. Contacting us immediately gives us an opportunity to stop someone from conducting additional unauthorized transactions, and possibly stopping collections on transactions that have already occurred. If you do not let us know within sixty (60) days after the statement was mailed to you, you may not get back money you lost after the sixty (60) days.

## 13. Indemnification and Limit of Liability

a. Except as otherwise expressly set forth in this Agreement, you acknowledge and agree that you will indemnify and hold harmless the Credit Union, and any of its affiliates, directors, officers, employees, and agents, from and against any and all claims, actions, damages, liabilities, costs, and expenses whatsoever, including reasonable attorney fees, arising from your use of the Service and/or your breach of this Agreement.

b. Any provision in this Agreement, and other agreement to the contrary notwithstanding, we shall only be liable for damages solely and proximately caused by our gross negligence or willful misconduct, and our liability shall in no event exceed the lesser of (i) your actual damages or (ii) the total fees paid by you to us for this Service for the period of six (6) months immediately preceding the date of the alleged gross negligence or willful misconduct. In no event shall we or any provider be responsible or liable for any indirect, special, consequential, exemplary, punitive or incidental damages, losses or injuries (including, without limitation, lost profits, loss of use, loss of data or cost of cover) arising out of or related to the use by you of this Service or any service or our failure or that of any provider to properly process and complete transactions thereunder, even if we or such provider(s) have been specifically advised of the possibility of such damages, losses or injuries.

c. You acknowledge and agree that your use of this Service shall be at your sole risk, and that this Service is provided by us on an "as is" basis.

d. Except as expressly set forth in this Agreement, we make absolutely no representations or warranties whatsoever, express or implied, in law or in fact, to you or to any other person, as to this Service or any aspect thereof, including (without limitation) any warranty of merchantability, fitness for a particular purpose, quality, accuracy or suitability, and we hereby disclaim any and all of the same. You agree that no oral or written advice or representation obtained from any Credit Union employee or representative shall create a warranty or representation for purposes of this Agreement or this Service to be performed pursuant hereto.

e. To the fullest extent allowed by law, and subject to the foregoing provisions of this section dealing with our liability for damages solely and proximately caused by our gross negligence or willful misconduct, our liability to you under this Agreement shall be limited to correcting errors resulting from our failure to exercise ordinary care.

f. We make absolutely no representations or warranties whatsoever, express or implied, in law or in fact, to you or to any other person as to any computer hardware, software or equipment in connection with this Service, including but not limited to your computer systems or related equipment, your software or your internet service provider or its equipment, or as to the suitability or compatibility of our software, internet-delivered service, equipment or communication interfaces with those that you use, or as to whether any software or internet-delivered service will perform in an uninterrupted manner, including but not limited to any warranty of merchantability or fitness for a particular purpose.

g. We shall not be responsible or liable for any errors or failures resulting from defects in or malfunctions of your computer hardware or software, for the quality of performance or lack of performance of any computer software or hardware or Internet-delivered services supplied by us to you in connection with this Agreement, or for the transmission or failure of transmission of any information from you to us, from us to you, from you to any processor, from any processor to us, or otherwise. We shall not be responsible for notifying you of any upgrades or enhancements to any of your computer hardware or software. We are not responsible for, and you hereby release us from, any and all claims or damages resulting from or related to any computer virus or related problems that may be associated with using electronic mail or the Internet.

#### **14. Third Parties; Maintenance**

##### **a. Mobile Remote Deposit Service from Others**

You may be using special equipment, services or software provided by a third party to assist you in processing checks hereunder (each a "Third Party" and, if more than one, "Third Parties"). You (i) agree that any Third Party is acting as your agent in the delivery of checks to us and (ii) agree to assume full responsibility and liability for any failure of that Third Party to comply with this Agreement. We will not be liable for any losses or additional costs incurred by you as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party. You shall provide at least ten (10) days advance written notice to us in the event you use any such Third Party. You are solely responsible for maintaining compliance with the requirements of any Third Party, including obtaining any software updates. We shall not have any responsibility for any check handled by a Third Party until that point in time when we accept and approve a check from such Third Party for processing.

##### **b. Equipment Maintenance**

You shall be solely responsible for obtaining and properly maintaining your equipment and system requirements, your electrical services and telephone system, including computer equipment, internet connectivity, mobile device, and any other equipment or items necessary to receive this Service. We shall not be liable to you in any manner what so ever for any type of errors, losses, damages or other claims related to your failure to do so.

#### **15. How to Contact Us**

In the event of an error or a question about any transaction, you may call us at 888-887-9136 or email us at [contactus@uvaccu.com](mailto:contactus@uvaccu.com) (link sends e-mail).

#### **16. Business Days/Hours**

For purposes of this disclosure, our business days are Monday through Friday except for Federal Reserve holidays.

#### **17. Documentation**

Any transactions you execute that are accepted through this Service will appear on the periodic statements the Credit Union provides for your deposit account at the frequency set forth in the agreement governing that account.

**This Agreement is an extension of your agreement with UVA Community Credit Union in place for Online Banking and other EFT services and should be maintained with the agreements and disclosures you received when you enrolled for those services.**