



## REMOTE DEPOSIT CAPTURE DISCLOSURE AND AGREEMENT

This Remote Deposit Capture Disclosure and Agreement, as amended from time to time (“Agreement”), sets forth the terms and conditions governing the use of Edwards Federal Credit Union’s Remote Deposit Capture services. Please read this Agreement completely and retain it with your personal records. By using, or allowing another person to use, Remote Deposit Capture services offered by the Credit Union, you agree to be bound by the terms and conditions of this Agreement. In this Agreement, the terms “you” and “your(s)” refer to the member, and the terms “we”, “us”, “our(s)” and “Credit Union” refer to Edwards Federal Credit Union.

### WHAT IS REMOTE DEPOSIT CAPTURE?

Remote Deposit Capture is a service that allows you to deposit a check into your Credit Union account from anywhere with cellular data connectivity by using your mobile device and the Edwards Federal Credit Union Mobile Application to take and send an Electronic Image of the item. It eliminates the need to deliver the paper item to the Credit Union.

### SYSTEM REQUIREMENTS

To use the Remote Deposit Capture service, you must meet the following system requirements:

- You must have a mobile device (e.g., smartphone or tablet) with an enabled camera and Internet access. Third party fees may apply for data and Internet access. Contact your mobile device carrier for additional information.
- You must have the Edwards Federal Credit Union Mobile Application installed on your smart phone device. The Edwards Federal Credit Union Mobile Application can be downloaded from your device’s application store. The Operating System version must be compatible with the latest version of the application.

### REQUIREMENTS FOR ELECTRONIC IMAGES

Prior to creating an Electronic Image of a check, you must add the words “For Deposit Only,” your Credit Union account number, and your signature endorsement to the back of the check, or as otherwise instructed by the Credit Union.

An “Electronic Image” must contain: (i) a complete, legible and accurate image of the front of the check showing the name of the drawer/ payor, signature(s), the paying bank’s pre-printed information, MICR encoded information, the name of the payee and the payment amount information; and (ii) a complete, legible and accurate image of the back of the check showing your signature endorsement.

The following check items are not accepted for deposit through the Remote Deposit Capture service:

- Items displaying a “non-negotiable” or “void” notation or watermark.
- Items containing an alteration on the front of the check, or which 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.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Federal Reserve Board Regulation CC.
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete or illegible information.
- Items made payable to a third party (i.e., any person or entity other than you).
- Items that are in violation of any federal or state law, rule, or regulation.
- Checks or items prohibited by the Credit Union’s current procedures relating to the Remote Deposit Capture service or are otherwise not acceptable under the terms of your Credit Union account.
- Items with any endorsement on the back other than what is specified in this Agreement.

You agree to follow any and all other procedures and instructions for use of the Remote Deposit Capture service as the Credit Union may establish from time to time.

### TRANSACTION LIMITATIONS

The maximum amount you may deposit on any day is \$10,000. We reserve the right to modify this limit from time to time.

## **PROCESSING ELECTRONIC IMAGES**

We will review each Electronic Image received to determine whether it is eligible for processing. If eligible, we will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable ("Paying Bank"); (b) create a substitute check that we will present directly or indirectly to the Paying Bank; or (c) if we are the Paying Bank, present or post the Electronic Image. If we determine for any reason that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, we will require you to present the original item for deposit. It is your responsibility to retain the original item for a reasonable period of time to ensure that it is properly credited to your account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into your account. The Credit Union is not responsible for any image that we do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Remote Deposit Capture service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned. You are solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

## **CUT-OFF TIME AND CREDIT TO YOUR ACCOUNT**

Items transmitted using the Remote Deposit Capture service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC, and therefore longer hold delays may apply to these deposited items. Deposits received before 3:00 p.m. Pacific Time on a business day the Credit Union is open (a "business day" is any day except Saturdays, Sundays and holidays) will be credited to your account on the second business day after the day we receive your deposit. Deposits received after 3:00 p.m. Pacific Time on a business day the Credit Union is open will be credited on the third business day after we receive your deposit. Funds that you deposit using the Remote Deposit Capture service may not be immediately available to you.

## **FEES**

All fees or charges associated with the Remote Deposit Capture service are disclosed in our Fee Schedule, as amended from time to time, a copy of which accompanies this Agreement. At any time, in our discretion, we may add to or modify disclosed fees, subject to any prior notice requirements under applicable law (see Amendments). Your continued use of the Remote Deposit Capture service after the change becomes effective shall constitute your agreement to pay the disclosed fee. You may designate in writing the account from which such fees may be charged; however, you authorize us to charge such fees to any account you maintain with us in the event that a specific account has not been designated by you in writing or if there are insufficient funds in the designated account.

## **RECORD RETENTION**

It is your responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. You should securely store each original check(s) for a period of ninety (90) days after you receive confirmation that your deposit has been accepted. Please note that you are solely responsible for the security and storage of the original checks and you are solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be disposed of in a secure manner designed to ensure that they cannot be read or recreated.

## **RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS**

You will receive a monthly account statement reflecting all of your transactions unless there is no activity in a particular month. In any case, you will receive a statement at least quarterly.

## **MEMBER WARRANTIES AND INDEMNIFICATION**

By using the Remote Deposit Capture service, you represent and warrant all of the following to be true:

- The item transmitted is a complete, accurate and unaltered item payable to you, that it originated as a paper item, and that you are legally entitled to negotiate it.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the Remote Deposit Capture service.
- No other duplicate images of the original check have been made.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- You will not attempt to deposit or otherwise negotiate any original check that you have previously presented to us as an Electronic Image through the Remote Deposit Capture service. You will not attempt to present a duplicate Electronic Image.

You agree to indemnify, defend and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by you in the performance of your obligations under this Agreement.
- Calculation or data entry errors made by you.

- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of your obligations.
- Your failure to securely maintain your hardware, your security credentials, or to securely maintain or dispose of any original check.

This section shall survive the termination of the Remote Deposit Capture service.

### **HOW TO NOTIFY US IN CASE OF ERRORS**

If you believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, call us at (661) 952-5945 or write to us at 10 S. Murdoc Drive, Edwards, CA 93524. You will be asked to produce the original item and may be asked to complete a written statement in support of your claim.

### **SERVICE AND MAINTENANCE**

We may periodically audit the Remote Deposit Capture service and infrastructure. From time to time, the Credit Union may disable the Remote Deposit Capture service without prior notice for scheduled maintenance and upgrades to the system. In the event the Remote Deposit Capture service is unavailable, you may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to us at 10 S. Murdoc Drive, Edwards, CA 93524.

### **OUR RIGHT TO AUDIT**

We may periodically audit your individual transactions and use of the Remote Deposit Capture service to verify your compliance with this Agreement. You agree to cooperate with any such audit and to provide, at your expense, such information or documents as we may reasonably request.

### **TERMINATION**

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of Remote Deposit Capture service at any time with or without cause. We may do so immediately if:

- a) You or any authorized signer on your account breaches this or any other agreement with the Credit Union;
- b) We have reason to believe that there has been or might be an unauthorized use of your account; or
- c) You or any authorized signer on your account requests that we do so.

### **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

We will disclose information to third parties about your account or the transfers you make:

- a) When it is necessary to complete the transaction;
- b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c) In order to comply with government agency or court orders or other legal process; or
- d) If you give us your prior oral or written permission.

### **ADDRESS CHANGE**

You are required to keep the Credit Union informed of your current address to insure correct mailing of monthly statements.

### **ADDITIONAL BENEFIT ENHANCEMENTS**

The Credit Union may from time to time offer additional services to you in connection with your accounts. Some services may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

### **ELECTRONIC DISCLOSURE OF REMOTE DEPOSIT CAPTURE DISCLOSURE AND AGREEMENT**

By accessing the Remote Deposit Capture service, you acknowledge and accept electronic receipt of the Credit Union's Remote Deposit Capture Disclosure and Agreement. You agree that you have read this Agreement in its entirety and will abide by its terms and conditions. You understand that the Credit Union will not provide you with an additional paper (non-electronic) copy of this Agreement unless you specifically request it.

### **AMENDMENTS**

The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to you at your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Remote Deposit Capture service or designated accounts.

### **GOVERNING LAW; ATTORNEYS' FEES**

All agreements and disclosures shall be construed in accordance with the laws of the State of California and the provisions of the California Uniform Commercial Code (UCC). You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

**RESERVATION OF RIGHTS**

Failure or delay by the Credit Union to enforce any provision of this Agreement or to exercise any right or remedy available under this Agreement, or at law, shall not be deemed a waiver and the Credit Union expressly reserves the right to enforce such provision, or to exercise such right or remedy, at a later date.

**OTHER AGREEMENTS**

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

**SEVERABILITY**

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

