

Remote Deposit Capture Agreement



Definitions:

- **We, us, and our** refer to the Depository Financial Institution.
- **You and your** refer to the Depositor.
- **Agreement** refers to this Remote Deposit Capture Agreement.
- **Account** refers to your checking or share draft account with us which is identified by the Account Number.
- **Qualifying Items** refer to paper checks (including share drafts and remotely created checks) payable in U.S. dollars drawn on financial institutions located in the United States.
- **Remote Deposit** refers to your deposit of Qualifying Items to the Account by endorsing the paper originals, and then scanning both sides of each item and sending their accurate images to us, together with deposit instructions, via the Internet, rather than by providing us with the paper originals.
- **Banking Day** refers to a business day on which we are open to the public for substantially all of our banking functions.
- **Business Day** refers to a calendar day other than Saturday, Sunday or a federal holiday.
- Other terms have the meanings provided in the applicable Uniform Commercial Code.

Remote Deposit Requirements:

You can make Remote Deposits if, but only if, you satisfy all the Scanner and Related Hardware and Software Requirements, Image Quality Requirements, and other requirements of this Agreement. Properly endorse check with your signature, account number, date of deposit, and "For Mobile Deposit at MCT Credit Union Only"

Image Quality Requirements:

The images of Qualifying Items you send us will be sufficiently inclusive and high quality to permit us to satisfy all pertinent requirements of the following: the Check 21 Act; all related laws or regulations; all other state or federal laws and regulations; The American National Standards Institute; The Electronic Check Clearing House Organization; and all other clearing houses or associations.

Remote Deposit Limits:

The total number of Qualifying Items that can be transmitted to us under this Agreement is unlimited. The total dollar amount of Qualifying Items that can be transmitted to us under this Agreement is limited to \$3,000.00 per day.

Receipt Deadline:

The deadline (Receipt Deadline) for our receipt of Remote Deposits is 3PM CST on a Banking Day. Any Remote Deposits not received on a Banking Day or not received in their entirety by the Receipt Deadline on a Banking Day will be considered to have been received on the next Banking Day.

Acceptance or Rejection Deadline:

The deadline (Acceptance or Rejection Deadline) for our sending you either acceptances for deposit or rejections with respect to Qualifying Items included in your Remote Deposits is the next Banking Day after we receive the Remote Deposits. We will send you acceptances for deposit or rejections via email, and they will be effective when sent whether or not they are received by you. Such acceptances for deposit or rejections will reasonably identify each of the Qualifying Items accepted and each of the Qualifying Items rejected. If we do not send you either an acceptance for deposit or a rejection with respect to a Qualifying Item included in a received Remote Deposit by the Acceptance or Rejection Deadline, the Qualifying Item will automatically be accepted for deposit.

Retention/Destruction of Original Items:

You will retain, preserve and keep secure the paper original of each Qualifying Item included in a Remote Deposit for the period of 7 days after it is accepted for deposit and will destroy it immediately after the expiration of that period.

You will destroy the electronic image(s) on your mobile or other devices of each Qualifying Item immediately after it is sent to us.

You will retain, preserve and keep secure the paper original of each Qualifying Item included in a Remote Deposit until it is accepted by us. You will destroy the paper original immediately after it is accepted by us. You will destroy the electronic image(s) on your mobile or other devices of each Qualifying Item immediately after it is sent to us.

Other Provisions:

Unacceptable Deposits: The following items are not considered acceptable deposits:

1. Any item drawn on the account it is being deposited to
2. Any item with an imprint or watermark that indicates that the item is "non-negotiable"
3. Any item that contains evidence of alteration of the information on the check
4. Any item issued by a financial institution in a foreign country
5. Any item that is incomplete
6. Any item that is "stale-dated" or "post-dated"
7. Savings Bonds
8. Any item made payable to someone other than the owner or joint owner(s) of the account
9. Any item with a restrictive endorsement
10. Any item that has already been presented for payment and credit has been received for the item

Terms and Conditions:

Internet Addresses and Other Information. You and we will provide each other with Internet addresses and other information as needed for purposes of this Agreement and will update such information as needed.

Acceptance Required. We will credit your Account for a Qualifying Item included in a Remote Deposit if, but only if, we have received it and it has been accepted for deposit. We can reject an item included in a Remote Deposit for any reason or for no reason at all.

Provisional Credit Only. Any credit to your Account of a Qualifying Item included in a Remote Deposit (including Qualifying Items drawn "on us") is provisional only until collection is final. Until final settlement, we will act only as your agent, regardless of the form of endorsement or lack of endorsement on a Qualifying Item, even if we have provisionally credited your Account. We can reverse any provisional credit to your Account of a Qualifying Item included in a Remote Deposit that is lost, stolen, or returned. You will indemnify us and hold us harmless from any loss we may incur as a result of our lawfully reversing a provisional credit to your Account.

Failures or Alterations in Transmission. We will not be liable for any failures or alterations in the transmission of Remote Deposits to us.

Presentment/Collection. Presentment and collection of Qualifying Items included in Remote Deposits will be by any means and through any clearing agents we deem appropriate, and you consent to any applicable clearing house rules.

Funds Availability. After a deposit is accepted, the Credit Union will place a two business day check hold on checks deposited greater than \$225.00. The first \$225.00 will be made available immediately after the deposit is accepted on the same business day of the deposit and the remainder of the deposit will be made available on the second business day after the day of your deposit. If you need the funds from a deposit right away, you should contact the Credit Union. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances: we believe a check you deposit will not be paid, you deposit checks totaling more than \$5,525 on any one day, you deposit a check that has been returned unpaid, you have overdrawn your account repeatedly in the last six months or there is an emergency, such as failure of computer or communications equipment.

Terms and Conditions continued:

Warranties. Unless prohibited by law, by making Remote Deposits you make the following warranties to us and agree to indemnify us and hold us harmless from any breach of such warranties, including payment of our reasonable attorneys' fees and litigation expenses:

- That you were entitled to deposit each of the Qualifying Items included in your Remote Deposits;
- That only paper originals of bona fide Qualified Items have been scanned for Remote Deposit;
- That each of the Qualifying Items included in your Remote Deposits was duly authorized in the amount stated on the Qualifying Item and to the payee stated on the Qualifying Item;
- That there was and will be no duplication among Qualifying Items included in your Remote Deposits;
- That you will not deposit or redeposit the original check, substitute check or paper or electronic reproduction of the original or substitute check of the Qualifying Items included in your Remote Deposits without our informed consent;
- That we will not suffer any loss as a result of your Remote Deposits;
- That we will not suffer any loss as a result of your retention or destruction of the paper originals of Qualifying Items included in your Remote Deposits;
- That all information you provide to us regarding your Remote Deposits will be accurate;
- That your Remote Deposits and all information you provide to us will be virus-free;
- That your Remote Deposits will not violate any laws; and
- That you have performed and will perform all your obligations under this Agreement.

Return Items. If Qualifying Items included in your Remote Deposits are returned, we will provide you with images or substitute checks of the returned items, rather than the paper originals. Your account will be debited for the return item.

Statements. You will examine your statement of account and report to us any alterations or unauthorized signatures purporting to be yours or on your behalf relating to Remote Deposits that you discover, or reasonably should have discovered, with reasonable promptness. Reasonable promptness for this purpose will not exceed 14 days in Montana, New York, or South Carolina, or 30 days in other states, from when the statement was first sent or made available to you. If you do not make such a report with reasonable promptness, you cannot assert against us such alterations or unauthorized signatures, or any others made by the same wrongdoer before we receive such a report, unless we failed to exercise good faith, or in all states except Tennessee unless we failed to exercise reasonable care. If we failed to exercise reasonable care, in all states except Tennessee, New York, or South Carolina, the loss will be allocated between you and us according to the extent to which your and our failure to exercise reasonable care contributed to the loss. In addition, in all states, if you do not discover and report to us any such alterations or unauthorized signatures or any other issues regarding Remote Deposits within 60 days from when the statement including the Remote Deposits was first sent or made available to you, you cannot assert them against us, even if we failed to exercise reasonable care.

Information and Access. You will promptly provide us with any information, including financial information, we request that is pertinent in any way to your Remote Deposits or this Agreement. In addition, upon our request you will grant us access to your documents and records sufficient to permit us to determine whether you are complying with the requirements of this Agreement.

Irreconcilable Conflicts. This Agreement supersedes your account agreement to the extent of any irreconcilable conflicts.

Circumstances Beyond Our Control. We will not be responsible for any failure to act or delay in acting pursuant to this Agreement if the failure or delay is the result of circumstances beyond our control including, but not limited to, legal constraint, interruption of transmission or communication facilities, equipment failure, or war emergency conditions.

Standard of Care. Unless otherwise required by law, our standard of care in connection with this Agreement is limited to ordinary care.

Indemnification. You agree to indemnify us and any other recipient for any loss incurred by us or any other recipient if the loss resulted from the receipt of a Qualified Item by Remote Deposit.

Terms and Conditions continued:

Limitation on Damages. Unless otherwise required by law, we will not under any circumstances be liable for attorneys' fees; litigation expenses; or consequential, special, incidental, indirect, or punitive damages.

Duration and Termination. This Agreement will continue until it is terminated. We can terminate it immediately without notice if you are in default or if we suspect that you are engaged in illegal activity. Either party can terminate this Agreement without cause by giving 30 days advance written notice of termination.

Changes. We can change the provisions of this Agreement, other than the above stated right to terminate without cause, by giving you 30 days advance written notice of the changes.

Waiver. We can waive rights under, and violations of, this Agreement without affecting other rights under, or other violations of, this Agreement.

Assignment. You are not entitled to assign this Agreement or your rights and obligations under this Agreement without our consent.

Benefit. This Agreement is for your benefit and our benefit only, and no other entities have rights under this Agreement.

Invalidity. The invalidity or illegality of any provision of this Agreement will not affect the remainder of this Agreement.

Governing Law. This Agreement will be governed by the laws of the state or jurisdiction where the Account is located including the Uniform Commercial Code as adopted by that state or jurisdiction and as varied by this agreement.