



## 1<sup>st</sup> LIBERTY'S REMOTE DEPOSIT CAPTURE AGREEMENT AND DISCLOSURE

### I. Introduction

1st Liberty Federal Credit Union ("1st Liberty FCU" or the "Credit Union") endeavors to provide you with the highest quality Mobile Banking available and the convenience of Remote Deposit Capture. By using the Remote Deposit Capture Service ("RDC" or "RDC Service") you agree to all the terms and conditions contained in this Agreement and Disclosure (the "Agreement"). There is no monthly service fee for Remote Deposit Capture, at this time. Prior to any fee being implemented, you will be given notice, in accordance with applicable law.

Remote Deposit Capture Service is an additional Mobile Banking Service and is also governed by the Mobile Banking and eStatement Agreement and Disclosure that you previously agreed to. All agreements, disclosures, rules and regulations applicable to your account, including other agreements you have with 1st Liberty FCU, now or in the future, remain in effect and are made a part of this Agreement by reference unless specifically modified.

### II. Definitions

As used in this Agreement, the following words have the meanings given below:

"Device" means a supportable mobile device including a cellular phone or other mobile device that is web-enabled and allows secure SSL traffic which is also capable of receiving text messages. Your wireless carrier may assess you fees for data or text messaging services. Please consult your wireless plan or provider for details.

"Freedom Teller" means 1<sup>st</sup> Liberty FCU Online Banking Service.

"Mobile Banking" means the banking services accessible from the device you have registered with 1st Liberty FCU for Mobile Banking.

"You" and "Your(s)," means each person with authorized access, as well as anyone you permit to access your account(s), that applies and uses the Mobile Banking and Remote Deposit Capture Service.

"We," "Us," "Our," "1st Liberty FCU" and "Credit Union" means 1st Liberty Federal Credit Union.

### III. Remote Deposit Capture Service

- A. Description of Remote Deposit Capture Service. Remote Deposit Capture Service is designed to allow you to make deposits to your **Primary Share or Personal Checking Accounts** from your camera-enabled mobile device capable of capturing check images and information and electronically delivering the items and associated deposit information to the Credit Union or the Credit Union's designated processor. The device must capture an image of the front and back of each check to be deposited in accordance with the procedures. **Our RDC Service is only for use with respect to your accounts used primarily for personal, family, or household purposes and may not be used for any business purposes.**
- B. Limitation of Service. New accounts established with us, shall not be eligible for our RDC Services the first thirty (30) days after account opening. When using the RDC Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. We reserve the right to approve, deny, suspend or terminate your use of our RDC Service in our sole and absolute discretion, without prior notice to you. We also reserve the right to modify the scope of the RDC Service, at any time. Your continued use of the RDC Service will indicate your acceptance of any such modifications.
- C. Use of Remote Deposit Capture Service. You must have a Mobile Device that is acceptable to us and a wireless plan from a compatible mobile wireless provider. You must also use the operating system(s) and software that satisfies all technical specifications and other requirements that we and/or our service provider(s) establish and specify. We and/or our service provider(s) may change these specifications and/or requirements from time to time. The Credit Union is not responsible for any third party software you may need to use the RDC Service. You are responsible for installation, maintenance and operation of all hardware and software necessary to use the RDC Service.
- D. Eligible Items. You agree to scan and transmit images of "checks", as that term is defined in Regulation CC ("Reg CC") of the Board of Governors of the Federal Reserve System, for a deposit to your account. Any reference herein to "check" shall refer to each and every check or item that is transmitted to us by you using the RDC Service, both individually and collectively. When the image of the check transmitted to the Credit Union is converted to an Image Replacement Document for subsequent presentment and collection, it shall thereafter be deemed an "item" within the meaning of Articles 3 and 4 of the Uniform Commercial Code.
- E. Prohibited Transactions. You agree that you will not scan and deposit any of the following types of checks or other items which shall be considered ineligible items:
- Checks payable to any person or entity other than you (i.e. no third party deposits).
  - Checks payable jointly, unless the check is being deposited to an account in the name of all payees on the check.
  - Checks that have an endorsement on the back other than the endorsement specified in this Agreement.
  - Checks drawn on a financial institution that is located outside of the United States.
  - Checks not payable in United States currency.

- Checks that are dated with a future date (i.e. postdated).
- Checks dated more than 6 months prior to the date of scanning and transmission (i.e. staledated checks).
- Checks containing an alteration on the front of the check or item, 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.
- Checks previously converted to a substitute check, as defined in Reg CC or an “image replacement document” that purports to be a substitute check.
- Checks that are remotely created checks, as defined in Reg CC.
- Checks that have previously been submitted through this RDC Service or through any remote deposit capture service offered by any other financial institution.

F. Deposit Limits. We may establish limits on the dollar amount and/or number of items or deposits from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. 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. Currently, the maximum dollar limit per check is \$2,500.00. The current daily aggregate dollar limit is \$5,000.00 per business day and the monthly aggregate limit is \$10,000.00. We reserve the right to change these limits at any time without prior notice to you. “Business day” is defined as every day EXCEPT Saturdays, Sundays and Federal Holidays.

G. Availability of Funds. You agree that check images transmitted using the RDC Service and funds represented by the checks are not subject to the funds availability requirements of Reg CC. As a general rule, if an image of the check you transmit through RDC Service is received and accepted before 6:00 p.m. Mountain Time on a business day that we are open, we consider that day to be the day of your deposit. Otherwise; if it is after that time or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Funds deposited using the RDC Service will generally be made available in 2 business days after the day of your deposit. However, the first \$200 of your deposit will be available on the day of your deposit. You acknowledge and agree that no funds availability option we offer constitutes a promise or guarantee that check funds will be finally collected from the drawee institution and/or finally paid to you. In any event, we reserve a right of chargeback to your account in the event of dishonor or nonpayment by the drawee institution, and we reserve the right to chargeback all applicable fees in the event of such dishonor or nonpayment and/or any resulting chargeback; including, but no limited, to a returned deposit check fee (2 party check return) and overdraft fees as disclosed in the current Fee Schedule.

#### IV. Endorsements.

You agree to restrictively endorse any item transmitted through the RDC Service as **“For Mobile Deposit Only” with your signature and account number.** You further agree that we may handle and process any check image you transmit to us through RDC Service in accordance with the terms of this Agreement notwithstanding any restrictive, qualified, or conditional endorsement you may apply to the check without our approval or direction. Endorsements must be made on the back of the check within 1 ½ inches from the top edge, although we may accept endorsements outside this space; however, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

#### V. Image Quality.

The image of any check transmitted to us using our RDC Service must be legible and contains images of the front and back of the check. The image quality of the check must comply with the requirements established by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearinghouse or association. These requirements include, but are not limited to, ensuring the following information can clearly be read and understood by sight review of the check image:

- The amount of the check (both written and numeric)
- The payee
- The signature of the drawer (maker)
- The date the check was written
- The check number
- The preprinted information that identifies the drawer and the financial institution on which the check is drawn, including the MICR (Magnetic Ink Character Recognition) encoded account number and financial institution routing/transit number
- All other information placed on the check prior to the time of an image of the check is capture, such as any endorsements applied to the back of the check.

#### VI. Receipt of Images.

We reserve the right to reject any check or image that you transmit to us through the RDC Service, at our sole and absolute discretion without liability to you. You agree that we are not responsible or liable to you for images that are dropped during transmission, which we do not receive, or that are intercepted or altered by, or misdirected to, any authorized third party. You assume the risk that any check image or information from a check image may be intercepted or misdirected during transmission. An image of an item shall be deemed received when you receive a confirmation from the Credit Union that we have received the image. Receipt of such confirmation does not mean that the transmission was error free, complete or will be considered a deposit and credited to your account. If, after we confirm the receipt of a check image, we determine that the check is a Prohibited Check, you agree that we may charge the amount of the check back to your account. You agree that the Credit Union is not liable for any loss, cost, or fees as a result of the exercise of our chargeback rights.

#### VII. Storage and Disposal of Original Transmitted Items.

After you transmit any check image to us and receive confirmation from us that we have received an image, you agree to securely store and retain the check for at least 60 calendar days from the date of the image transmission. During this 60 day period, you agree to take appropriate measures to ensure that only authorized persons will have access to the check, the information contained on the check will not be improperly disclosed, and the check will not be duplicated or negotiated in any form. After the 60 day period, you agree to destroy the check that you transmitted as an image, mark it "VOID", or otherwise render it incapable of further transmission, deposit, or presentment. During any time the original check is available to you or in your possession, you agree to promptly provide it to us upon request.

#### **VIII. Errors.**

The Credit Union will provide you with periodic statements that will identify the deposits that you make through the RDC Service. In addition, you may access the Credit Union's Freedom Teller for information about your deposits, return items, deposit adjustments, checks and other transactions on your accounts. You agree that it is your responsibility to review all such information that the Credit Union makes available to you in a timely manner, to verify that deposits made through the RDC Service have been received and accepted by the Credit Union and are accurate. You agree to notify us promptly of any errors, omissions, or discrepancies in a deposit within the time periods established in your Credit Union Account Agreement. You may notify us by writing to 1<sup>st</sup> Liberty FCU, P.O. Box 5002, Great Falls, MT 59403-5002 or calling us at 406-761-8300 or 800-824-0585. Subject to applicable law, any failure by you to notify the Credit Union of any error, omission or other discrepancy in accordance with this Agreement and your Credit Union Account Agreement shall relieve the Credit Union of any liability for such error, omission or discrepancy.

#### **IX. Cooperation with Investigations.**

You agree to cooperate with the Credit Union in the investigation of unusual transaction, poor quality transmissions, and resolutions of member claims, including by providing, upon request and without further cost, any originals or copies of items deposited through the RDC Service in your possession and your records relating to such items and transmissions.

#### **X. User Warranties and Indemnification.**

Each time you use this RDC Service to transmit any check image to us, you represent and warrant to us that

- You will not transmit any Prohibited checks or items.
- You will not transmit any duplicate items.
- You will not re-deposit or re-present the original item.
- All information you provided to the Credit Union is accurate and true.
- You are not aware of any factors which may impair the collectability of the item (i.e. counterfeit, alterations).
- You will comply with this Agreement and all applicable rules, laws and regulations.
- You warrant that files submitted by you to the Credit Union do not contain computer viruses or malware.
- You agree to indemnify and hold harmless the Credit Union from any loss for breach of this warranty provision.

#### **XI. Termination.**

We may terminate this Agreement at any time and for any reason. This Agreement shall remain in full force and effect unless and until it is terminated by us. Without limiting the foregoing, this Agreement may be terminated if you breach any term of this Agreement, if you use the RDC Service for any unauthorized or illegal purposes, or you use the RDC Service in a manner inconsistent with the terms of your Credit Union Account Agreement or any other agreement with us.

#### **XII. Enforceability.**

We may waive enforcement of any provision of this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect our rights with respect to any other transaction or to modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

#### **XIII. 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 the RDC 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.

#### **XIV. Disclaimer of Warranties.**

You agree your use of the RDC 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 the RDC Service, whether expressed or implied, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose and noninfringement. We make no warranty that the RDC Services (a) will meet your requirements, (b) will be uninterrupted, timely, secure, or error-free, (c) the results that may be obtained from the RDC Service will be accurate or reliable, and (d) any errors in the RDC Service or technology will be corrected.