

**Heritage Credit Union**  
**Mobile Deposit User Agreement**  
**Effective: April, 2016**

This Agreement contains the terms and conditions for use of Heritage Credit Union's (HCU) Mobile Deposit service ("Mobile Deposit").

Mobile Deposit is designed to allow you to make deposits to your checking, savings, or money market accounts from your mobile device, by electronically transmitting a digital image of your paper check to HCU or a processor designated by HCU. There is currently no charge for Mobile Deposit.

**1. Acceptance of these Terms:**

Your use of Mobile Deposit constitutes your acceptance of this Agreement which is a binding legal agreement between you and HCU. Except as modified by this Agreement, all terms and conditions in HCU's Online Banking Agreement and Account Agreements remain in full force and effect. If there is a conflict with HCU's Online Banking Agreement and this Agreement, this Agreement shall control. This agreement is subject to change at any time. HCU will notify you of any material change via email or on our website. Your continued use of the services will indicate your acceptance of the revised Agreement

**2. Hardware and Software:**

To use Mobile Deposit, you must have a supported mobile device (e.g., smartphone, iPad, etc.) with a supported camera and a supported operating system, have a data plan for your mobile device, and download the App to your mobile device. We do not guarantee that your particular mobile device, mobile device camera, mobile device operating system or mobile carrier will be compatible with Mobile Deposit.

**3. Compliance with Laws:**

You agree to 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. You promise to indemnify and hold HCU harmless from any damages, liabilities, costs, expenses (including attorney's fees) or other harm arising out of any violation thereof. This indemnity shall survive termination of your account and this Agreement.

**4. Limitations of Services:**

When using Mobile Deposit, you may experience technical or other difficulties. HCU cannot assume responsibility for any technical or other difficulties or any resulting damage that you may incur. Mobile Deposit has qualification requirements, and HCU reserves the right to change the qualifications at any time without prior notice. HCU reserves the right to change, suspend or discontinue Mobile Deposit immediately and at any time without prior notice to you.

## **5. Qualifications:**

Mobile Deposit is available to consumer accounts at HCU that meet the following criteria:

- a. Must be 18 years of age or older
- b. Account must be open for a minimum of 30 days
- c. Must have an Online Branch log-in
- d. Must have a qualified checking
- e. Accounts must be in good standing

## **6. Criteria for Good Standing:**

- a. Accounts must have a positive balance
- b. Member cannot be on Fresh Start
- c. Member cannot have had a charged off loan or share, or have caused the credit union a loss in any way
- d. Account must be eligible for Courtesy Pay
- e. Loans must be current (not delinquent for more than 30 days)

## **7. Deposit Limits:**

Will be determined based upon your credit score, length of membership, savings, check and loan history. The credit union reserves the right to modify these limits at any time.

**Max Daily Limit:** \$2,000

**Max Check Amount:** \$2,000

**Max Monthly Limit:** \$6,000

**Checks Per Day:** 5

## **8. Items Eligible for Deposit:**

You agree to deposit only "checks" as that term is defined in the Federal Reserve Regulation CC. You agree that the image of the check transmitted to HCU shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code as adopted in Wisconsin. Each check will require a separate transaction via Mobile Deposit.

## **9. Unacceptable Items for Deposit:**

You understand and agree that you will not use Mobile Deposit to deposit the following items:

- a. Any third party check or item, i.e., any item that is made payable to another party and then endorsed to you by such party
- b. Any check or items drawn on your account that you are depositing to that same account
- c. Any check or item that contains evidence of alteration to any of the fields on the front of the check or which you know or suspect are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn

- d. Any check or item that is “non-negotiable” (whether stamped in print or as a watermark)
- e. Any check or item previously converted to a “substitute check”, as defined in Regulation CC
- f. Any check or item issued to you by a financial institution in a foreign country
- g. Any check or items not payable in U.S. currency
- h. Any check or item that is “stale dated”, expired, or “postdated”, or is dated more than 6 months prior to the date of deposit
- i. Any check or item that is incomplete
- j. Any check or item on which a stop payment order has been issued or to which there are insufficient funds
- k. Cash
- l. Savings Bonds

Deposits of this nature may result in immediate termination of Mobile Deposit and an immediate reversal of the transaction or credit to your account. A reversal means the amount of the item(s) deposited will be removed from your account and will reduce your account balance. The reversal may also result in a negative balance on your account.

**10. Check Image and Endorsement Requirements:**

Any image of a check that you transmit to HCU must accurately and legibly provide all of the information on the front and back of the check at the time of presentment to you by the drawer. Prior to transmitting the original check, you will restrictively endorse any item transmitted through Mobile Deposit as “For Mobile Deposit Only”, and your endorsement. The scanned image of the check transmitted must accurately and legibly provide the following information: (1) your endorsement and (2) the information identifying the drawer and the paying financial institution that is preprinted on the check, including complete and accurate MICR information and the signatures. The image quality of the check must comply with the requirements established by the American National Standards Institute (ANSI), the Federal Reserve Board, Regulation CC, or any other regulatory agency, clearing house, or association. Mobile Deposit may reject your deposit if the image is not satisfactory. Receipt of the image does not guarantee HCU has accepted the image. The Federal Law regarding fund availability requires the Financial Institution’s endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing your deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the “trailing edge” (the left edge of the check when it is facing you) can be used by you for endorsements or any other markings. HCU will not be responsible for any damage incurred in the event you deposit an item that is subsequently returned unpaid by the paying bank and that return is “late” due to markings on the check caused by you or a prior endorser on the back of the check.

**11. Receipt of Items:**

You understand and agree that receipt of an image does not occur until you are notified of receipt of the image via onscreen messaging and/or email notification. HCU is not responsible for any image that we do not receive. HCU reserves the right to reject any item transmitted by Mobile Deposit, at our discretion, without liability to you. HCU is not liable for any service or late charges levied against you due to the rejection of any item. You are responsible for any loss or overdraft plus any applicable fees to your account due to an item being returned.

**12. Items Returned Unpaid:**

A written notice will be sent to you of transactions HCU is unable to process because of returned items. With respect to any item that you transmit to us for remote deposit that we credit to your account, in the event such item is dishonored, you authorize us to debit the amount of such item from your account, including any applicable fees. Please see HCU's Schedule of Fees and Charges.

**13. Availability of Funds:**

- a. If one or more checks are deposited in a day, up to \$250 will be made available on that date as provisional credit. The remaining funds will be made available on that date as provisional credit up to an amount matched by a 60-day average of account balances, not to exceed \$2,000.
- b. Checks will be subject to a five (5) business day hold. Longer holds may be placed on a case-by-case basis.
- c. HCU may make funds available sooner based on such factors as credit worthiness, the length of and extent of your relationship with us, transaction and experience information, and such other factors as HCU, in its sole discretion, deem relevant.

**Please note:**

- 1.) The Expedited Fund Availability Act (Reg. CC) does not apply to deposits using this Service, thus for determining funds availability, the terms of this agreement apply.
- 2.) Business day: The place of deposit for this Service is Madison, Wisconsin. Business Day for this Service is considered Monday – Friday between 8:00 AM and 3:00 PM Central Time, excluding holidays and any other day we are not open for business or such other hours as established from time to time. Transmissions processed after these business hours on a business day, or any other day that is not a business day are treated as occurring on the next business day.

**14. Retention and Disposal of Transmitted Items:**

Upon your receipt of a confirmation from HCU that we have received the image of an item, you agree to prominently mark the item as "Electronically Presented" or "Mobile Deposit and the date" to ensure that it is not represented for payment. You agree to securely store each original check that you deposit using Mobile Deposit for a period of at least 15 days after transmission to HCU. After 15 days after you transmit the original check, you will safely destroy the original check. You agree to never represent the check

for deposit. You will promptly provide any retained check to HCU as requested to aid in the clearing and collection process to resolve claims by third parties with respect to any check, or for HCU's audit purposes.

**15. Periodic Statement:**

All Mobile Deposits will be reflected on your periodic statement. You understand and agree that you are required to notify us of any error relating to images transmitted using Mobile Deposit no later than sixty (60) days after you receive the periodic statement that includes any transactions that you feel are in error.

**16. Warranties and Indemnity:**

a. You warrant to HCU that:

- i. You will only transmit eligible checks and items and all checks and items will include all signatures required for their negotiation.
- ii. Images will meet HCU's image quality standards in effect from time to time.
- iii. You will not transmit an image or images of the same check or item to us more than once and will not deposit or negotiate, or seek to deposit or negotiate, such check or item with any other party.
- iv. You will not deposit or re-present the original check or item with HCU or any other party.
- v. All information you provide to HCU is accurate and true, including that all images transmitted to HCU accurately reflect the front and back of the check or item at the time it was scanned.
- vi. You will notify HCU if you believe there has been an error with respect to any original check or image transmitted to HCU for deposit. You will, within one (1) business day after discovering the error, contact us regarding such error by calling 888-432-8496
- vii. You will comply with this Agreement and all applicable rules, laws and regulations.
- viii. You will use Mobile Deposit only for your own deposits and will not allow the use of Mobile Deposit by way of a service bureau business, timesharing, or otherwise disclose or allow use of Mobile Deposit by or for the benefit of any third party.

b. You agree to indemnify and hold harmless HCU from any loss for breach of this warranty provision or the terms of the Agreement. You agree that this paragraph on warranties and indemnity shall survive the termination of this Agreement. Limitation of Liability: WE ARE ONLY RESPONSIBLE FOR PROVIDING MOBILE DEPOSIT AS EXPRESSLY STATED IN THIS AGREEMENT. THERE IS NO GUARANTEE THAT ACCESS TO MOBILE DEPOSIT WILL BE AVAILABLE AT ALL TIMES AND WE SHALL NOT BE LIABLE IF YOU ARE UNABLE TO ACCESS MOBILE DEPOSIT. MOBILE DEPOSIT IS PROVIDED "AS IS" AND, EXCEPT AS PROHIBITED BY LAW, WE AND OUR THIRD PARTY SERVICE PROVIDERS DISCLAIM ANY EXPRESS OR IMPLIED WARRANTIES CONCERNING MOBILE DEPOSIT, APP,

EQUIPMENT OR SOFTWARE, INCLUDING, BUT NOT LIMITED TO ANY WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF ANY PARTIES' PROPRIETARY RIGHTS. IN NO CASE SHALL HCU OR ANY OF OUR THIRD PARTY SERVICE PROVIDERS BE LIABLE FOR ANY LOSS OF DATA, PROFIT, GOODWILL, OR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE SUFFERED BY YOU ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE APP, THE SOFTWARE, THE EQUIPMENT OR MOBILE DEPOSIT WHETHER OR NOT SUCH CLAIM FOR DAMAGES IS BASED ON TORT OR CONTRACT OR WHETHER WE HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SHOULD HAVE KNOWN OF THE LIKELIHOOD OF SUCH DAMAGES, EXCEPT AS MAY BE REQUIRED BY LAW. IN STATES THAT DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR INDIRECT SPECIAL OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, HCU AND OUR THIRD PARTY SERVICE PROVIDERS' LIABILITY IS LIMITED TO THE EXTENT PERMITTED BY APPLICABLE LAW.

**Cancellation by You; Termination or Refusal by Us:**

You may cancel Mobile Deposit at any time, allowing us a reasonable opportunity to act upon your request. If you cancel, we will not refund any portion of any fee assessed for any checks and items previously deposited via Mobile Deposit. We will have no obligation to honor any instructions, in whole or in part, that (i) we reasonably believe is used for any illegal or improper purpose or activity; (ii) we have reason to believe may not be authorized by you; (iii) would violate any law, rule or regulation applicable to us or Mobile Deposit; (iv) is not in accordance with any other requirements stated in this Agreement or any of our policies, procedures or practices; or (v) for our protection or yours, we have reasonable cause not to honor. We reserve the right to refuse to honor an instruction or suspend or terminate Mobile Deposit, in whole or in part, at any time, with or without notice to you, with or without cause, including, without limitation, if: (a) we have reason to believe that your account has been compromised or mismanaged in any way, such as by unauthorized or erroneous use of your Access Information; or (b) we believe Mobile Deposit is not being used for its intended, bona fide and lawful purposes under this Agreement and the HCU's Online Banking Agreement; (c) we have reason to believe Mobile Deposit is being used in an anti-competitive manner or contrary to HCU's business interest; (d) your account is closed, access to your account is restricted for any reason, or if you do not use Mobile Deposit for a period of time or (e) following initial enrollment you do not use Mobile Deposit. Termination will not affect your liability or obligations under this Agreement, the HCU Online Banking Agreement or any other agreements you have.