

# Meritus Credit Union (MCU)

## REMOTE DEPOSIT CAPTURE (RDC) SERVICE DISCLOSURE AND AGREEMENT

RDC is designed to allow you to make deposits of original checks to your checking accounts from home or other remote locations by scanning the original check(s) and delivering the digital image(s) and associated deposit information to MCU using a mobile device.

**Eligible items:** You agree to scan and deposit only checks (*e.g.*, drafts drawn on a credit union, savings and loan, or bank and payable on demand.)

You agree that you WILL NOT use RDC to deposit:

- Checks payable to any person or entity other than you (*e.g.*, a check payable to another party and then endorsed to you).
- Checks payable to you and another party who is not a joint owner on the account.
- Checks that contain evidence of alteration, 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.

**Limits:** MCU will set daily limits as to the amount and number of checks allowed per RDC deposit. Those limits may change at any time without any prior notification.

**Requirements:** Each image must provide all information on the front and back of the original check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying bank that is preprinted on the original check, MICR information, signature(s), any required identification written on the front of the original check, and any endorsements applied to the back of the original check. The image quality must meet the standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

**Endorsements:** Endorsements must be made on the back of the check within 1½ inches from the top-edge, although we may accept endorsements outside this space. Your endorsement must include your signature and "**FOR MOBILE DEPOSIT ONLY AT MERITUS CREDIT UNION**". Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

A check payable to two payees must be endorsed by both payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and your joint owner, both of you must endorse the check.

**Receipt of Deposit:** All images processed for deposit through RDC will be treated as "deposits" under your current Membership and Account Agreement. MCU shall not be deemed to have received the image for deposit until it has generated a record under the Deposit Check History tab. Confirmation does not mean that the image contains no errors. MCU is not responsible for any image that does not receive.

Following receipt, MCU may process the image by preparing a "substitute check" or clearing the item as an image.

MCU reserves the right, at its sole and absolute discretion, to reject any image for remote deposit into your account.

**Original checks:** After you receive confirmation that MCU has received an image, you must securely store the original check for at least 30 days after transmission and make the original check available to MCU if requested. If an original check is not provided to MCU in a timely manner, an amount equal to that of the check amount could be debited from your account. Promptly after such period expires, you must destroy the original check by first marking it "VOID" and then destroying it by cross-cut shredding or another commercially acceptable means of destruction. *After destruction of an original check, the image will be the sole evidence of the original check.*

You agree that you will not re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

**Returned Deposits:** All credits to your account for checks deposited using RDC are provisional. If original checks deposited through RDC are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, issues relating to the quality of the image, you agree that an original check will not be returned to you, but that we may charge back the amount of the original check and provide you with an image of the original check, a paper reproduction of the original check, or a substitute check. You will reimburse MCU for all losses, costs, damages or expenses caused by or relating to the processing of the returned item. Without MCU's approval, you shall not attempt to deposit or otherwise negotiate an original check if it has been charged back to you.

MCU may debit any of your accounts to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

**Your Warranties:** You make the following warranties and representations with respect to each image:

- Each image is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine, and accurate.
- You will not deposit or otherwise endorse to a third party the original check and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the original check or a paper or electronic representation of the original check such that the person will be asked to make payment based on an item that has already been paid.
- There are no other duplicate images of the original check.
- The original check was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of the original check.
- You have possession of the original check and no party will submit the original check for payment.

With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule. You agree that files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

**Compliance with Law:** You will use RDC for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations.

**RDC Unavailability:** RDC may be unavailable temporarily due to system maintenance or technical difficulties, including those of the Internet service provider, cellular service provider, and application software. In the event that RDC is unavailable, you may deposit original checks at any MCU branch, through an ATM, or by mailing the original check to MCU, 515 Guilbeau Rd, Lafayette, LA 70506.

**Availability of Funds:** You agree that items transmitted using RDC are not subject to the funds availability requirements of the Federal Reserve Board Regulation CC. Funds deposited using RDC will be available after we receive payments for the funds submitted. MCU may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with MCU, transaction and experience information, and such other factors as MCU, in its sole discretion, deem relevant.

**RDC Security:** You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify MCU immediately by telephone to 337-989-0499/866-989-2800 if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction.

**Your Responsibility:** You are solely responsible for the quality, completeness, accuracy, validity and integrity of the image. You are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us or if RDC is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

**Accountholder's Indemnification Obligation:** You understand and agree that you are required to indemnify MCU and hold MCU harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

Your use of RDC constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. MCU will notify you of any material changes via email or on its website(s) by providing a link to the revised Agreement. Your continued use of RDC will indicate your acceptance of the revised Agreement. Further, MCU reserves the right, in its sole discretion, to change, modify, add, or remove portions from RDC. Your continued use of RDC will indicate your acceptance of any such changes to RDC.

**DISCLAIMER OF WARRANTIES:** YOU AGREE THAT YOUR USE OF ANY 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. MCU DISCLAIMS ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY RDC SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. MCU MAKES NO WARRANTY THAT ANY RDC SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. MCU MAKES NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY RDC SERVICE OR TECHNOLOGY WILL BE CORRECTED.

**LIMITATION OF LIABILITY:** YOU AGREE THAT MCU 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 ANY RDC SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF MCU HAS BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.