

Heritage Valley Federal Credit Union
Mobile Deposit- REMOTE DEPOSIT CAPTURE SERVICES DISCLOSURE AND AGREEMENT
Effective: August 2013

In this Disclosure and Agreement, the words “I,” “me,” “my,” “us” and “our” mean, the member that applied for and/or uses any of the MobileDeposit - Remote Deposit Capture Services (the “Services”) described in this Disclosure and Agreement. The Heritage Valley Federal Credit Union Membership Agreement and Account Disclosure (<https://www.heritagevalleyfcu.org/uploads/pdf/MEMBER.ACCOUNT.AGREEMENT.pdf>) is hereby incorporated into and made a part of this Disclosure and Agreement. In the event of a discrepancy between this Disclosure and Agreement or the Account Agreement, this Disclosure and Agreement will take precedence.

Use of the Services. Following my acceptance of this agreement, I am authorized by Heritage Valley to remotely deposit paper checks through the MobileDeposit application. I can remotely deposit checks I receive to my account with you (the “Account”) by electronically transmitting a digital image of the paper checks to the credit union for deposit. My use of the Services constitutes my acceptance of the terms and conditions of this Disclosure and Agreement. I agree to comply with the hardware and software requirements set forth by Heritage Valley Federal Credit Union. (Heritage Valley Federal Credit Union iOS and Android Application version 2.3 or higher). Upon receipt of the digital image, you will review the image for acceptability. I understand and agree that receipt of an image does not occur until after you notify me of receipt of the image via onscreen messaging and/or email notification. I understand that, in the event I receive a notification from you confirming receipt of an image, such notification does not mean that the image contains no errors. I understand that I am responsible for any information I transmit to you. Heritage Valley is not responsible for any image that is not received. Following receipt of the image, the credit union may process the image by preparing a “substitute check” or clearing the item as an image. Notwithstanding anything to the contrary, the credit union reserves the right, within your sole and absolute discretion, to accept or reject any item for remote deposit into my Account. I understand that any amount credited to my Account for items deposited using the Services is a provisional credit and I agree to indemnify Heritage Valley against any loss you suffer because of your acceptance of the remotely deposited check.

In addition I agree that I will not (i) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Service, (ii) copy or reproduce all or any part of the technology or Service; or (iii) interfere, or attempt to interfere, with the technology or Service.

Compliance with Law. I agree to use the products and Service for lawful purposes and in compliance with all applicable laws, rules and regulations. I warrant that I will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations. I promise to indemnify and hold you harmless from any damages, liabilities, costs, expenses (including attorneys’ fees) or other harm arising out of any violation thereof. This indemnity will survive termination of my Account and this Agreement.

Check Requirements. Any image of a check that I transmit to the credit union must accurately and legibly provide all the information on the front and back of the check at the time presented to me by the drawer. Prior to capturing the original check, I will endorse the back of the original check. My endorsement will include the following information, “FOR MOBILE DEPOSIT ONLY, Heritage Valley Account # _____.” The image of the check transmitted to you must accurately and legibly provide, among other things, the following information: (1) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signature(s); and (2) other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. The image quality for the check will meet the standards for image quality established by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

Rejection of Deposit. Heritage Valley is not liable for any service or late charges levied against me due to the rejection of any item. In all cases, I am responsible for any loss or overdraft plus any applicable fees to my Account due to an item being returned.

Items Returned Unpaid. A written notice will be sent to me of transactions that are unable to be processed because of returned items. With respect to any item that I transmit to the credit union for remote deposit that is credited to my Account, in the event such item is dishonored, I authorize the credit union to debit the amount of such item from the Account.

Email Address. I agree to notify the credit union immediately if I change my email address, as this is the email address where you will send me notification of receipt of remote deposit items or communicate to me regarding any remote deposit items, if necessary.

Unavailability of Services. I understand and agree that the Services may at times be temporarily unavailable due to the Financial Institution's system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event that the Services are unavailable, I acknowledge that I can deposit an original check at your branches or through an ATM or by mailing the original check to you at Heritage Valley Federal Credit Union, PO Box 3617, York, PA 17402. It is my sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by you. However, you will email notification of items that are rejected by the next business day following rejection.

Business Days and Hours. Heritage Valley Federal Credit Unions business days and hours are Monday through Friday, 8:30 am – 5:30 pm, excluding Federal holidays. Please visit www.heritagevalleyfcu.org for detailed business days and hours.

Heritage Valley Federal Credit Union Contact Information:

Mailing Address: Heritage Valley Federal Credit Union
PO Box 3617
York, PA 17403

Email address: eservices@heritagevalleyfcu.org

Funds Availability. I understand and agree that, for purposes of deposits made using the Services, the place of deposit is York, PA. With regard to the availability of deposits made using the Services, such funds will be available as set forth below.

FUNDS AVAILABILITY SCHEDULE

1. General Policy. Our policy is to make funds from your cash and check deposits available to you on the next business day after we receive your deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 4:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 4:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

2. Reservation of Right to Hold. In some cases, we will not make all of the funds that you deposit by check available to you on the next business day after we receive your deposit. Funds may not be available until the second business day after the day of your deposit. However, the first \$200.00 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the next business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

3. Holds on Other Funds. If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

4. Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000.00 on any one day.

- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

5. Special Rules for New Accounts. If you are a new member, the following special rules will apply during the first thirty (30) days your account is open. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000.00 will be available on the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000.00 will not be available until the second (2nd) business day after the day of your deposit. Funds from all other check deposits will be available on the sixth (6th) business day after the day of your deposit.

6. Deposits at Nonproprietary ATMs. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth (5th) business day after the date of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

SPECIAL ENDORSEMENT STANDARDS

The Federal Law regarding funds 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.

We will not be responsible for any damages 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.

In the event that you draw a check on your Checking or Loan Account with us, you are responsible for any delay or misrouting of the check caused by markings placed on the check by you that obscure any depository endorsements placed by us or our agent and you agree to hold the Credit Union harmless and indemnify us from any liability due to such delay or misrouting.

Internal Controls and Audit.

MobileDeposit deposit limits may change at any time without any prior notification. Heritage Valley Federal Credit Union reserves the right to revoke this service, reject or adjust any deposits upon submission of the scanned items.

Accountholder's Warranties. I make the following warranties and representations with respect to each image of an original check I transmit to you utilizing the Services:

- 1) Each image of a check transmitted to Heritage Valley 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.
- 2) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- 3) I will not deposit or otherwise endorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid.
- 4) Other than the digital image of an original check that I remotely deposit through your Services, there are no other duplicate images of the original check.
- 5) I have instituted procedures to ensure that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- 6) I am authorized to endorse each item transmitted or am authorized to obtain payment of each item on behalf of a person entitled to endorse such transmitted item.
- 7) I have not knowingly failed to communicate any material information to you.
- 8) I have possession of each original check deposited using the Services and no party will submit the original check for payment.
- 9) Files and images transmitted to you will contain no viruses or any other disabling features that may have an adverse impact on your network, data, or related systems.

Storage of Original Checks. I must securely store each original check. I understand it is my responsibility to store the original check in a secure location that I deposit using the Services for a period of 90 days after transmission to you. Upon my receipt of confirmation from Heritage Valley that they have received the image of the item, I agree to prominently mark the item as "Electronically Presented" or "VOID". After the 90 day period expires, I will destroy the original check. I understand and agree that I am responsible for any loss caused by my failure to secure the original checks.

Securing Images on Mobile Devices. When using MobileDeposit, I understand that check images captured using my mobile device are stored on the device only until the associated deposit has been successfully submitted. I agree to promptly complete each deposit. In the event that I am unable to promptly complete my deposit, I agree to ensure that my mobile device remains securely in my possession until the deposit has been completed or to delete the associated images from the application.

Accountholder's Indemnification Obligation. I understand and agree that I am required to indemnify Heritage Valley and hold the credit union harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from my use of the Services and/or breach of this Disclosure and Agreement. I understand and agree that this paragraph shall survive the termination of this Agreement.

In Case of Errors. In the event that I believe there has been an error with respect to any original check or image thereof transmitted to you for deposit or a breach of this Agreement, I will immediately contact you regarding such error or breach as set forth below.

Telephone you at: 877-214-1914

Or e-mail you at eservices@heritagevalleyfcu.org

Limitation of Liability. I understand and agree that the credit union is not responsible for any indirect, consequential, punitive, or special damages or damages attributable to my breach of this Disclosure and Agreement.

Charges for Use of the Services. Currently, Heritage Valley FCU does not charge fees for subscribing to or using MobileDeposit. However, we reserve the right to institute or charge fees for MobileDeposit by sending you prior notice within our Fee Schedule.

Warranties. I UNDERSTAND THAT HERITAGE VALLEY FEDERAL CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. HERITAGE VALLEY FEDERAL CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR HERITAGE VALLEY FEDERAL CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

Change in Terms. We may change the terms and charges for the Services indicated in this Disclosure and Agreement by notifying you of such change in writing and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. Your use of the Services after receipt of notification of any change by us constitutes your acceptance of the change.

Termination of the Services. I may, by written request, terminate the Services provided for in this Disclosure and Agreement. Heritage Valley may terminate my use of the Services at any time without notice. In the event of termination of the Services, I will remain liable for all transactions performed on my Account.

Relationship to Other Disclosures. The information in these Disclosures applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

Governing Law. I understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the state of Pennsylvania, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. I also agree to submit to the personal jurisdiction of the courts of the state of Pennsylvania.

Periodic Statement. Any remote deposits made through the Services will be reflected on my monthly account statement. I understand and agree that I am required to notify the credit union of any error relating to images transmitted using the

Services by no later than 60 days after I receive the monthly periodic statement that includes any transaction I allege is erroneous. I am responsible for any errors that I fail to bring to the attention of the credit union within such time period.

Deposit Availability. Deposits that are confirmed before 4:00pm on a business day will post to the member's account on the next business day. Deposits that are confirmed after 4:00pm on a business day will post to the member's account within 2 business days. Deposits that are submitted on non-business days and holidays will post to a member's account within 2 business days. Extended holds may apply due to special circumstances when processing mobile deposit item.

Limitations on Frequency and Dollar Amount. I understand and agree that I cannot exceed the limitations on frequency and dollar amounts of remote deposits that are set forth by you. Currently, the daily limit is \$5000/day. The number of checks deposited should not exceed 5 items.

Unacceptable Deposits. I understand and agree that I am not permitted to deposit the following items using the Services:

- 1) Any item drawn on my personal account with Heritage Valley.
- 2) Any item that is stamped with a "non-negotiable" watermark.
- 3) Any item that contains evidence of alteration to 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 expired, "stale dated" or "post dated."
- 7) Savings Bonds
- 8) Any third party check, item(s) made payable to someone other than myself or other authorized signers on the account
- 9) Any item with a restrictive endorsement
- 10) Money Orders
- 11) Travelers Checks
- 12) Cash
- 13) A check previously converted to a "substitute check", as defined in Regulation CC

Confidentiality. I acknowledge and agree that confidential data relating to your Services, marketing, strategies, business operations and business systems (collectively, "Confidential Information") may come into my possession in connection with this Disclosure and Agreement. I understand and agree that I am prohibited from disclosing and agree to maintain the confidentiality of your Confidential Information.

Waiver. The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.

Relationship. This Disclosure and Agreement does not create, and shall not be construed to create, any joint venture or partnership between the parties. No officer, employee, agent, servant, or independent contractor of either party shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.