

# Georgia Heritage Federal Credit Union Remote Check Deposit Terms and Conditions:

These terms (Remote Check Deposit Terms) will govern your use of Credit Union Remote Check Deposit (Remote Check Deposit), and are incorporated by reference in and made a part of your Agreement if you use Remote Check Deposit. You may not use the Credit Union's Remote Check Deposit to make contributions to your IRA.

**What is Remote Check Deposit?** Remote Check Deposit allows you to make deposits to your Credit Union deposit account remotely by transmitting images of checks to us in compliance with our requirements. If we accept the image for collection, we will then attempt to collect the item by presenting the image or converting the image to a substitute check. Unlike traditional check deposits, you retain the original paper check when you use Remote Check Deposit. The manner in which these substitute checks or images are cleared, presented for payment, and collected will be determined by us in our sole discretion. We may change, modify, add or remove all or portions from Remote Check Deposit at any time, with or without notice to you.

**Eligibility.** We will determine whether you are eligible for Remote Check Deposit in our sole discretion. We may suspend or terminate your use of Remote Check Deposit at any time and without prior notice to you. If you violate the terms of Remote Check Deposit, then we also may use such actions as a basis to terminate your account relationship with us.

**Remote Check Deposit Fees.** There is no charge for Remote Check Deposit, but other fees, such as for returned items and overdrafts, may apply as set forth in the Rate and Fee Schedule, which may be amended from time to time, a copy of which you agree to having received with or prior to entering into this Agreement.

**Limits.** We may impose limits on the dollar amount or number of deposits you make through Remote Check Deposit and such limits shall be provided to you when you access Remote Check Deposit. We may change such limits at any time at our discretion.

**Technical Requirements.** You agree that in order to use Remote Check Deposit, you can use any device acceptable to us from time to time that provides for the capture of images from Items and for transmission through the clearing process. Supported devices are subject to change without prior notice to you. When using Remote Check Deposit you may experience technical or other difficulties, including, without limitation, problems with your device or transmission problems. We are not responsible for such technical or other difficulties. In particular, each image of a check you attempt to deposit using Remote Check Deposit must be legible, as determined by us. If your devices equipment produces check images that we determine are not of acceptable quality, we may reject your deposit. We are not responsible for problems arising out of your equipment or internet connections even if you are using equipment that meets our technical requirements. In addition you agree that you 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.

**Prohibited Checks.** We may decline to accept any image of a check you submit through Remote Check Deposit in our sole discretion. Without limiting that discretion, you agree that you will only seek to deposit "checks," as that term is defined in the 12 C.F.R. Section 229 et al, ("Reg CC" or any rules issued to replace this law), that are collectible (i.e., properly payable) through Remote Check Deposit. You agree that you will not capture images and attempt to deposit any of the following:

1. Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into;
2. Checks payable jointly, unless deposited into an account in the name of all payees;
3. 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;
4. Checks that have been previously deposited at another institution via physical item, image or electronic funds transfer;
5. Checks from financial institutions located outside of the U.S.;
6. Checks that are not payable in U.S. dollars;

7. Checks that are more than six (6) months old;
8. Checks previously converted to a substitute check, as defined in Reg. CC.;
9. Remotely created checks, as defined in Reg CC (checks that, among other things, do not bear the signature of the person on whose account the check is drawn);
10. Travelers checks, savings bonds, money orders or postal money orders;
11. Checks that are drawn on or otherwise issued by the U.S. Treasury Department;
12. Non-negotiable instruments, such as promissory notes;
13. Checks drawn on any of your Georgia Heritage Federal Credit Union account(s).
14. Checks or items prohibited by Credit Union's current procedures relating to the Services or which are otherwise not acceptable under the terms of your Credit Union account.
15. Checks payable on sight or payable through Drafts, as defined in Reg. CC.
16. Checks with any endorsement on the back other than that specified in this agreement.
17. Checks that are prohibited by the Credit Union's current Membership Agreement with you
18. Checks that are in violation of any federal or state law, rule, or regulation.
19. Checks that are credit card advance or other loan advance instruments.
20. Any check requiring signature and/or additional identification.

**Your Representations and Warranties.** Each time you capture and submit check images of the front and back of the original check for deposit through Remote Check Deposit, you represent and warrant that:

1. Each check image is a complete and accurate representation of the front of a negotiable check;
2. Each check image is a complete and accurate representation of the back of a negotiable check;
3. The image is NOT of any of the prohibited items listed above;
4. Each check image satisfies our image quality standards, as specified by us from time to time;
5. The original check used to create the image has not been previously deposited, duplicated or used to create another image or electronic fund transfer; and
6. No subsequent transferees of your check image, or any substitute check created from your check image, including but not limited to Credit Union, a collecting or returning bank, drawer, drawee, payee or endorser, shall sustain a loss as the result of the fact that the check image or substitute check was presented for payment or returned instead of the original paper check.
7. You will not deposit or otherwise indorse 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.
8. All information you have provided to us is complete, accurate and true. Each time you capture and submit check images for deposit through Remote Check Deposit, you also make all the warranties specifically set forth in and subject to the terms of the laws of the governing State's Revised Code Uniform Commercial Code (UCC) for the image as if it were an item subject to the terms of the UCC, including:
  - i. you are entitled to enforce the image;
  - ii. all signatures on the image are authentic and authorized;
  - iii. the image has not been altered;
  - iv. the image is not subject to a defense or claim in recoupment of any party which can be asserted against you;
  - v. you have no knowledge of any insolvency proceeding commenced with respect to the maker or acceptor or, in the case of an unaccepted image, the drawer; and
  - vi. if the image is a demand draft, creation of the image according to the terms on its face was authorized by the person identified as drawer.

In addition to these warranties, you covenant that you will comply with Remote Check Deposit Terms, this Agreement and applicable law.

**Indemnification.** In addition to the other indemnification provisions set forth in this Agreement, you agree to indemnify, defend and hold us harmless from and against any and all claims, demands, damages, liabilities, expenses (including reasonable attorneys' fees) or other loss that arises from or relates to your use of Remote Check Deposit or your breach of the representations, warranties or covenants set forth in these Remote Check Deposit Terms, including

without limitation your attempt to duplicate the presentation of a check image via presentation of the original check or an image or substitute check derived from the original check and any liability that we may incur for processing an image or substitute check rather than the original paper check.

**Endorsement.** For any check deposited as an image through Remote Check Deposit, you must endorse the check as "[signature] For Credit Union Remote Check Deposit only [account #]" or as otherwise instructed by us before you capture the check image. Checks received that are not endorsed in accordance with this provision may be rejected.

**Receipt of Check Image.** We are not responsible for check images we do not receive or that are dropped during transmission. A check image will be deemed received by us only when we provide an online confirmation receipt to you that we have received your check image. When we confirm receipt of your check image, the image will still be subject to review before we submit it for collection and may still be rejected for any reason in our sole discretion. A confirmation is not a representation, warranty or other indication that the check image will be presented for collection or will be honored by any collecting or paying bank. If we reject a check image received through Remote Check Deposit, then you may submit the original check by mail to us for processing unless we instruct you otherwise, or you may want to contact the drawer and have them reissue the check. If you do submit the original check for processing, we reserve the right to refuse to process it and may instead require you to have the check reissued.

**Retention of Original Check.** Once your check image has been credited to your account, you must mark the original check as "VOID" and retain the check for sixty (60) days. You may not present the original check or any image or substitute check created from the original check for payment at any other financial institution. During this 60-day period, you must store the original paper check securely using precautions at least as secure as those you would use to protect a blank check and you must make the original paper check available to us for review at any time and as necessary for us to facilitate the clearing and collection process, to address third party claims, or for our own audit purposes. Should you fail to produce the original paper check, you authorize us to deduct the amount of the check in question from your account, regardless of whether such action may cause your account to not have sufficient funds, and to pay any associated fees. Immediately after this 60-day period, you must destroy the original paper check.

**Return Items.** You understand that we may convert items you deposit through Remote Check Deposit into substitute checks, images, or ACH entries. As a result, in the event that your item is returned unpaid, you will only receive a copy of the substitute check or image, or in the case of ACH entries, the Automated Clearinghouse information.

**Funds Availability.** We generally apply the Funds Availability Schedule set forth in the Funds Availability Policy and Disclosure section of the Credit Union's Membership and Account Agreement or Regulation CC of the Federal Reserve Board to check images received through Remote Check Deposit as if we had received the original paper check. However, in addition to the exceptions specified in Funds Availability Disclosure, we may delay availability of funds from any deposit you make through Remote Check Deposit at any time in our sole discretion, including due to any concern we may have regarding our ability to collect based upon any check image that you present.

**Acceptable Use of Remote Check Deposit.** You must fully comply with these Remote Check Deposit Terms, the Agreement and all applicable law when you use Remote Check Deposit. If you breach these Remote Check Deposit Terms, we may immediately terminate your authority to use Remote Check Deposit. You may use Remote Check Deposit only for personal, family and household services and not business purposes.

**No Warranty.** YOUR USE OF REMOTE CHECK DEPOSIT IS AT YOUR SOLE RISK. REMOTE CHECK DEPOSIT IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND AS TO REMOTE CHECK DEPOSIT, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

**Limitation of Liability.** WE WILL NOT BE LIABLE FOR ANY DIRECT, SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS OR REVENUES RESULTING FROM YOUR USE OR INABILITY TO USE REMOTE CHECK DEPOSIT, EVEN IF WE ARE ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

**No Waiver:** No waiver of any of the foregoing terms and conditions shall be effective unless it is in writing and signed by an authorized officer of Georgia Heritage Federal Credit Union, and no waiver shall be deemed to imply or constitute a continuing waiver or a waiver of any other term or condition.

**Jurisdiction and Governing Law:** You will be deemed to have agreed to the exclusive jurisdiction of the State and Federal courts of the State of Georgia, for resolution of any dispute you have relating to the goods or services offered or promoted herein, or to this agreement. The laws of the State of Georgia (excluding its conflict of laws rules) will be applied to any dispute, regardless of where it is heard. You agree to use the products and Service 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.

**Construction and Interpretation:** If any portion of this agreement is ruled invalid or otherwise unenforceable, it shall be deemed amended in order to achieve as closely as possible the same effect as originally drafted. Any invalid or unenforceable portion shall be construed as narrowly as possible in order to give effect to as much of the agreement as possible.