



Remote Deposit Capture Disclosure and Agreement

This Remote Deposit Capture Disclosure and Agreement as amended from time to time (“Agreement”) sets forth the terms and conditions governing the use of Valley Strong Credit Union’s Remote Deposit Capture services (“Remote Deposit Capture”). Please read this Agreement completely and retain it with your personal records. By using, or allowing another person to use, Remote Deposit Capture services offered by Valley Strong Credit Union, you agree to be bound by the terms and conditions of this Agreement. In this Agreement, the terms “you” and “your(s)” refer to the Member, and the terms “we”, “us”, “our(s)” and “Credit Union” refer to Valley Strong Credit Union.

What is Remote Deposit Capture?

Remote Deposit Capture is a service that allows you to deposit a check into your Credit Union account from anywhere with cellular data connectivity by using the Valley Strong Credit Union Mobile Application and your smart phone or other mobile device to take and send an Electronic Image of the item. It eliminates the need to deliver the paper item to the Credit Union.

Eligibility Requirements

Must be a Member in good standing and mobile banking.

System Requirements

To use Remote Deposit Capture, you must have a mobile device with an enabled camera and service plan that includes data and Internet access. Third party fees may apply for data and Internet access. Contact your smart phone device carrier for additional information. You must also have the Valley Strong Credit Union Mobile Application installed on your mobile device. The Valley Strong Credit Union Mobile Application can be downloaded from your device’s application store. The Operating System version must be compatible with the latest version of the application.

Requirements for Electronic Images

Prior to creating an Electronic Image of a check, you must add the words “For Mobile Deposit Only,” your Credit Union account number, and your signature endorsement to the back of the check, or as otherwise instructed by the Credit Union. **You understand these endorsement instructions are our requirements and you agree to follow these requirements for all checks.**

An “Electronic Image” must contain: (i) a complete, legible and accurate image of the paying bank’s pre-printed information, MICR encoded information, the name of the payee and the payment amount information; and (ii) a complete, legible and accurate image of the back of the check showing the words “For Mobile Deposit Only”, your Credit Union account number, and your signature endorsement.

Upon transmitting the check you agree not to allow the item to be deposited or presented for payment more than once, to the extent that it could result in payment of the check more than one time. You will also not allow the transmission of an imaged item which has already been presented to us, or to any other financial institution, by any other means.

The following check items are **not** accepted for deposit through the Mobile Deposit service:

- Items displaying a “non-negotiable” or “void” notation or watermark.
- Items containing an alteration on the front of the check, 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.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Federal Reserve Board Regulation CC.
- Electronically created items (such as an item that did not exist in paper form).
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete, inconsistent, or illegible information.
- Items that are money orders, traveler’s checks or savings bonds.
- Items made payable to a third party (i.e., any person or entity other than you – including third party checks endorsed over to you).
- Items that are in violation of any federal or state law, rule, or regulation.
- Checks or items prohibited by Valley Strong Credit Union’s current procedures relating to the Remote Deposit Capture service or are otherwise not acceptable under the terms of your Credit Union account.
- Items payable to “Cash”, “Valley Strong Credit Union”, or “Valley Strong”.
- Items payable to two (2) or more persons not alternatively, unless deposited into an account owned by all payees.
- Items that are postdated (dated in the future).
- **Items with any endorsement on the back other than what is specified in this Agreement (or missing any of the required information).**

You understand and agree that you are not permitted to deposit the foregoing items and doing so may result in a breach of the warranties you provide to us and could result in your obligation to indemnify us. You agree to follow any and all other procedures and instructions for use of the Remote Deposit Capture service as the Credit Union may establish from time to time.

Transaction Limitations

The maximum amount you may deposit on any day is up to \$10,000.00. We reserve the right to modify this limit from time to time.

Our Right to Audit

We may periodically audit your individual transactions and use of the Remote Deposit Capture service to verify your compliance with this Agreement. You agree to cooperate with any such audit and to provide, at your expense, such information or documents as we may reasonably request.

Processing Electronic Images

We will review each Electronic Image received to determine whether it is eligible for processing. If eligible, we will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable (“Paying Bank”); (b) create a substitute check that we will present directly or indirectly to the Paying Bank; or (c) if we are the Paying Bank, present or post the Electronic Image. If we determine for any reason that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, we will require you to present the original item for deposit. It is your responsibility to retain the original item for a reasonable period of time to ensure that it is properly credited to your account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into your account. The Credit Union is not responsible for any image that we do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Remote Deposit Capture service at any time and will not be liable for

doing so even if such action causes checks or other debits to your Account to be dishonored and returned. You are solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

Cut-Off Time and Credit to Your Account

Items transmitted using the Remote Deposit Capture service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC, and therefore longer hold delays may apply to these deposited items. Deposits received before 4:00 p.m. PST on a business day the Credit Union is open (a "business day" is any day except Saturdays, Sundays and holidays) will be credited to your account on the first (1st) business day after the day we receive your deposit. Deposits received after 4:00 p.m. PST on a business day the Credit Union is open will be credited on the second (2nd) business day after we receive your deposit. Funds that you deposit using the Remote Deposit Capture service may not be immediately available to you.

Fees

All fees or charges associated with the Remote Deposit Capture service are disclosed in our Fee Schedule, as amended from time to time, which has been provided to you previously and which is incorporated herein by reference. At any time, in our discretion, we may add to or modify disclosed fees, subject to any prior notice requirements under applicable law (see Amendments). Your continued use of the Remote Deposit service after the change becomes effective shall constitute your agreement to pay the disclosed fee. You may designate in writing the account from which such fees may be charged; however, you authorize us to charge such fees to any account you maintain with us in the event that a specific account has not been designated by you in writing or if there are insufficient available funds in the designated account.

Record Retention

It is your responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. You should securely store each original check(s) for a period of sixty (60) days. Please note that you are solely responsible for the security and storage of the original checks and you are solely liable for the loss or misappropriation of any checks or the re-presentation of any checks for payment.

Disclosure of Account Information to Third Parties

We will disclosure information to third parties about your account or the transfers to you make:

- a) When it is necessary to complete the transaction;
- b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c) In order to comply with government agency or court orders or other legal process, or
- d) If you give us your prior oral or written permission.

Member Warranties and Indemnification

By using the Remote Deposit Capture service, you represent and warrant all of the following to be true with respect to each image of an original check transmitted:

- The item transmitted is a complete, accurate and unaltered item payable to you, that it originated as a paper item, that you are legally entitled to negotiate it, and the drawer of the check has no defense against payment of the check.
- The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.

- You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment to any financial institution, after transmitting the digital image through the Remote Deposit Capture service.
- 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.
- No other duplicate images of the original check have been made.
- You have possession of the original check deposited through the service and no party will physically submit the original check for payment.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- You have not failed to communicate any material information to the Credit Union.
- You will not attempt to deposit or otherwise negotiate any original check that you have previously presented to us as an Electronic Image through the Remote Deposit Capture service. You will not attempt to present a duplicate Electronic Image.
- You have followed our endorsement requirements for the item.

You agree to indemnify, defend and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by you in the performance of your obligations under this Agreement.
- Calculation or data entry errors made by you.
- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of your obligations.
- Your failure to securely maintain your hardware, your security credentials, or to securely maintain or dispose of any original check.

This section shall survive the termination of the Remote Deposit Capture service.

Periodic Statement

Any deposits made through the service will be reflected on your monthly account statement. You understand and agree that you are required to notify us of any error relating to images transmitted using the service within 60 days after receipt of your monthly periodic statement which includes any alleged erroneous transaction(s). You are responsible for any errors you fail to bring to our attention within such time period.

Service and Maintenance

We may periodically audit the Remote Deposit Capture service and infrastructure. From time to time, the Credit Union may disable the Remote Deposit Capture service without prior notice for scheduled maintenance and upgrades to the system. In the event the Remote Deposit Capture service is unavailable, you may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to us at P.O. Box 9506, Bakersfield, CA 93389-9506.

Address Change

You are required to keep the Credit Union informed of your current address to insure correct mailing of monthly statements.

How to Notify Us in Case of Errors

If you believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, call us at (661) 833-7900 or (800) 221-3311 or write to us at P.O. Box 9506, Bakersfield, CA 93389-9506. You will be asked to produce the original item and may be asked to complete a written statement in support of your claim.

Additional Benefit Enhancements

The Credit Union may from time to time offer additional services to you in connection with your accounts. Some services may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

Electronic Disclosure of Remote Deposit Capture Disclosure and Agreement

By accessing the Remote Deposit Capture service, you acknowledge and accept electronic receipt of the Credit Union's Remote Deposit Capture Disclosure and Agreement. You agree that you have read this Agreement in its entirety and will abide by its terms and conditions. You understand that the Credit Union will not provide you with an additional paper (non-electronic) copy of this Agreement unless you specifically request it.

Amendments

The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to you at your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Remote Deposit Capture service or designated accounts.

Termination

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of Remote Deposit Capture service at any time or without cause. We may do so immediately if:

- a) You or any authorized signer on your account breaches this or any other agreement with the Credit Union;
- b) We have reason to believe that there has been or might be an unauthorized use of your account; or
- c) You or any authorized signer on your account requests that we do so;
- d) The Credit Union will no longer be offering the service.

Governing law; Attorneys' Fees

All agreements and disclosures shall be construed in accordance with the laws of the State of California and the provisions of the California Uniform Commercial Code (UCC). You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

Reservation of Rights

Failure or delay by the Credit Union to enforce any provision of this Agreement or to exercise any right or remedy available under this Agreement, or at law, shall not be deemed a waiver and the Credit Union expressly reserves the right to enforce such provision, or to exercise such right or remedy, at a later date.

Other Agreements

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

Severability

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.



Federally Insured by NCUA