

# DFDFCU Mobile Check Deposit Agreement

Effective April 24, 2015

A Member, after activation of his or her Virtual Branch access and Mobile Banking Application access, may use the Denver Fire Department Federal Credit Union ("DFDFCU") Mobile Check Deposit service through the DFDFCU Mobile Banking App to add funds to his or her designated checking account by endorsing and delivering to DFDFCU an Eligible Check (defined below) remotely using the DFDFCU Mobile Application (a "Mobile Check Deposit transaction").

When conducting a Mobile Check Deposit transaction, the Member will use the DFDFCU Mobile Application and the camera on their smartphone to capture images of an Eligible Check (defined below) and transmit those images and associated information electronically to DFDFCU or to our processor, FiServ (our "Processor"). In this Agreement, the image and associated information transmitted electronically to DFDFCU or our Processor are called, collectively, the "Check Image." The paper instrument to which the Check Image relates is called the "Original Check."

DFDFCU will credit the amount of each Check Image accepted by us in accordance with our Mobile Check Deposit availability policies below. Once transmitted to us, the Check Image is an "item" for purposes of Article 4 of the Uniform Commercial Code.

Mobile Check Deposit can be accessed solely via the DFDFCU Mobile Banking Application. In order to use Mobile Check Deposit, you must obtain and maintain, at your own cost, a smartphone upon which the DFDFCU Mobile Banking Application can be installed. We assume no responsibility for defects, failures, or incompatibility with Mobile Check Deposit and/or the Mobile Banking Application and your smartphone, or other hardware or software used in connection with Mobile Check Deposit and/or the Mobile Banking Application, including any third party software you may need to use Mobile Check Deposit and/or the Mobile Banking Application. We have no obligation to make the DFDFCU Mobile Banking Application, or the Mobile Check Deposit service functionality available on any particular device. We may disable the Mobile Check Deposit functionality on any mobile device in our sole discretion. We might do this if we have concerns about the security of information transmitted through such mobile device.

Your use of Mobile Check Deposit is subject to the Mobile Check Deposit hours, cut-off time and availability of funds transaction limits described below, the payment of any fees that may apply to your Mobile Check Deposit transaction, and the terms and conditions of this Remote Deposit Capture Agreement and Applicable Law.

## **Mobile Check Deposit with the Mobile App Transaction Limits**

You may not submit Check Image(s) through Mobile Check Deposit with a total value that exceeds \$3,000 per item, or an aggregate of \$3,000 on any day.

We reserve the right, subject to Applicable Law, to change the amount of your Mobile Check Deposit transaction limits, impose additional limits, block, or place a hold on certain types of Mobile Check Deposit transactions and/or limit, suspend or block your transmission of Check Images from particular persons or entities in our sole discretion. We also reserve the right to reject any Mobile Check Deposit transaction in our sole discretion.

## **Eligible Checks; Certain Checks Not Permitted**

You agree that you will use Mobile Check Deposit to deposit funds to your eligible checking account only by delivering to us "Eligible Checks."

Eligible Checks are the following:

- Negotiable demand drafts drawn on or payable through or at an office of a bank or credit union in the United States, a Federal Reserve Bank or a Federal Home Loan Bank, or the Treasury of the United States.
- Eligible Checks must contain (i) the MICR number (i.e., the series of numbers at the bottom of the Eligible Check that identifies the account number that the check is to be drawn from and the routing number of the bank), check number and name, street address and zip code of the payer commercially imprinted on the Original Check and (ii) the Member's name as payee imprinted or legibly written in ink on the Original Check. **Only items that are payable to a Member and/or Business in good standing individually, or a Member and individual listed as joint on the account are Eligible Checks.**
- Eligible Checks does not include, and you may not use Mobile Check Deposit to deposit funds to your eligible checking account by delivering to us, any check or other item that:
  - is payable to any person or entity other than the Member, even if it has been endorsed over to the Member;
  - is drawn on another account owned by the Member;
  - is a demand draft or a remotely created check (i.e., a check lacking the original signature of the person authorizing the check);
  - you know or suspect (or should know or suspect) is fraudulent or otherwise not authorized by the owner of the bank account on which the check is drawn;
  - has been previously cashed or deposited (either in its original paper form or electronically) or submitted for collection and returned unpaid for any reason;
  - is post-dated or more than 6 months old;
  - is beyond the date which the item is automatically void, under the terms printed on the item;
  - is payable to "cash";
  - is a U.S. Savings Bond, money order, cashier's check or travelers cheque other than a U.S. Dollar-denominated American Express Travelers Cheque;
  - is irregular in any way (such as including different written and numerical amounts or a nonexistent date) or contains erasures or alterations;
  - does not bear the original signature of the person on whose account the check is drawn;
  - is drawn on a financial institution that is located outside of the United States or payable in a foreign currency;
  - is a "substitute check" (that is, a paper check created from an electronic image in accordance with the requirements of Federal Reserve Regulation CC);
  - is prohibited by, or received in violation of, any law, rule or regulation; or
  - exceeds the per transaction and aggregate limits for Mobile Check Deposit transactions.

The fact that we or our Processor accept any of the types of items described above in a Mobile Check Deposit transaction shall not obligate us to accept any of the items described above in any future Mobile Check Deposit transaction, and we may stop doing so without prior notice. Additionally, we may refuse any Check Image submitted for Mobile Check Deposit transaction at any time, with or without cause.

### **Check Endorsement Requirement**

Prior to capturing and transmitting any check through Mobile Check Deposit, the Member agrees to only use the following restrictive endorsement on the Original Check by signing:

*the Member's name AND ACCOUNT NUMBER on the back of the check in addition to*

***“For mobile deposit to Denver Fire Department FCU only.”***

The Member's endorsement may not contain any limiting language, such as designating a specific person to whom the check is to be paid, indicating the check is endorsed for deposit only, or otherwise restricting further transfer or negotiation of the item. The Member agrees to follow all other instructions provided to the Member by us for capturing and transmitting Check Images and associated information via Mobile Check Deposit.

## Representation and Warranties and Indemnification

You represent and warrant the following with respect to each Check Image that you transmit to us through Mobile Check Deposit:

- the amount of the Original Check and any other information that you entered into the DFDFCU Mobile Banking Application accurately reflects the Original Check;
- the Check Image is of an Eligible Check, and you have the right to enforce the Original Check;
- the Check Image is an accurate representation of the front and the back of the Original Check, including all endorsements, at the time of transmission, without erasures or alterations, and you have not taken any action that would obscure, alter or impair the capture or transmission of information on the front and back of the Original Check;
- you make all warranties that would otherwise apply with respect to the Original Check if you had negotiated the Original Check to us by endorsement and transfer of possession;
- **you have not previously cashed, deposited, or transferred the Original Check, any image of the Original Check, or any substitute check for the Original Check;**
- Neither the Receiving Bank nor any other person will receive a transfer, presentment or return of, or otherwise be charged for, the Check Image, the Original Check, or a paper or electronic representation of the Original Check such that the person will be asked to make a payment based on an item that it already has paid;
- **you will not create or submit duplicate images of the Original Check represented by the Check Image, nor will you deposit or transfer the Original Check or any substitute check for the Original Check unless and until we inform you that the Check Image associated with that Original Check has been rejected by us or cannot otherwise be processed.**

You agree to indemnify and hold harmless us and our vendors and licensees from and against any and all actions, proceedings, liabilities, losses, costs (including attorneys' fees), penalties and claims, including, without limitation, warranty claims, that result from or arise in connection with (i) our processing of Check Images provided by you in accordance with the terms of this Member Agreement, (ii) your breach of warranty or failure to comply with the terms of this Member Agreement pertaining to Mobile Check Deposit transactions, (iii) any claim by a recipient of an Eligible Check, an image of the Original, or substitute check of the Original Check that the recipient incurred a loss due to the receipt of an image cash letter or substitute check instead of the Original Check; and (iv) multiple payments with respect to the Original Check.

## Hours; Cutoff Time and Availability of Funds

A Member may initiate Mobile Check Deposit transactions to the Member's eligible checking account using Mobile Check Deposit 24 hours a day, 7 days a week, except when the system is unavailable for required maintenance or due to system outages. We are not responsible for the unavailability of Mobile Check Deposit or any damages that may result from its unavailability.

Check Images received for processing by us before 5:00 p.m. ET on a DFDFCU regularly scheduled business day will begin processing on that business day and may be made available on that business day unless after commencement of processing and prior to the general funds availability date, the Check Image is dishonored or returned unpaid or we receive other adverse notice or communication or make an adverse determination, in which event we will send an electronic communication to you, informing you as to whether and when funds will be available to you or your transmission will be rejected.

Check Images received for processing by us after 5:00 p.m. ET on a business day or on a day other than a business day will begin processing on the succeeding business day.

In the event we receive a Check Image where we have reason to doubt the collectability of that Check Image, we may delay the availability of funds for a reasonable period of time until the item is either paid or returned. In such cases, we will notify you of this action. You agree that we have no obligation to make funds related to any Check Image you transmit to us available until we receive related funds from our bank. Please note that DFDFCU regularly scheduled business days exclude weekends and bank holidays.

### **Returned Items and Right of Chargeback**

If, after we have credited funds to your eligible checking account, any Check Image you transmit to us as part of a Mobile Check Deposit transaction is dishonored or otherwise returned unpaid by the institution upon which it is drawn, or if we have otherwise over-credited your Account in respect of a Mobile Check Deposit, your eligible checking account will be charged back the amount of the Check Image (or the amount of the overcredit) in addition to any applicable fees. If any Check Image you transmit to us as part of a Mobile Check Deposit transaction is returned due to insufficient or uncollected funds, our Processor may charge you (and you authorize our Processor to collect from you) the maximum related service fee allowed by law.

### **Confirmation of Receipt of Check Image and Acceptance for Processing**

Once the Check Image is successfully transmitted to us or our Processor, it may be reviewed by us or our agents before it is accepted by us for processing. If, upon review of the Check Image, we determine that the Check Image does not conform to this Agreement or to our risk, security and other guidelines or is otherwise not usable, or that the Original Check is not an Eligible Check or that the representations you have made with respect to the Original Check or Check Image are or may be untrue in any material respect, we may reject and determine not to process and provide value for the check in our sole discretion notwithstanding any earlier confirmation by us of receipt of the Check Image.

If the Check Image is accepted by us for processing, you will receive an electronic confirmation of such fact.

By transmitting a Check Image to us through Mobile Check Deposit, you authorize us and our Processor to contact you, including via e-mail and the mobile telephone number you have most recently provided us in respect of your Account, regarding any processing issue or collection effort with respect to such Check Image.

### **Retention and Destruction of Original Checks**

You will receive an electronic confirmation from us when the Check Image that you have transmitted via Mobile Check Deposit has been accepted for processing (or alternatively, an electronic notice that such image has not been accepted for processing, setting forth the reason we could not accept your check for processing). You agree (i) to retain and safeguard the Original Check until you have received notification from us that the funds associated with such Check Image have been added to your eligible checking account and (ii) after you have verified that the funds associated with such Check Image have been added to your eligible checking account, to mark the front of the Original Check "VOID" and then destroy the Original Check.

### **Limitation on Our Liability**

We will not be liable for any losses which arise, directly or indirectly, in whole or in part, from your negligence, omissions or breach of this Agreement, any error, omission or delay in your transmission of any Check Image, any error or delay due to telecommunications or systems failure or the unavailability of Mobile Check Deposit due to other causes beyond our reasonable control, or the return of any check by the institution upon which it is drawn.