



## **REMOTE DEPOSIT CAPTURE AGREEMENT**

The Online Banking (OLB) Master Terms and Conditions are fully incorporated into this Remote Deposit Capture (RDC) Agreement. By registering for the RDC Service, you are also enrolled into the OLB Service and both the OLB Master Terms and Conditions and this RDC Agreement apply to your use of the RDC Service. The Credit Union of Texas member (Member, You, or Your, regardless of case or plurality) who registers to use the Remote Deposit Capture Service (RDC Service) within the Online Banking Service (OLB Service), accepts all terms of this RDC Agreement and the OLB Master Terms and Conditions with Credit Union of Texas (Credit Union, CUTX, We, Us, or Our, regardless of case).

### **1. RDC SERVICE AND AVAILABILITY**

RDC Services allows you to remotely deposit paper checks into a Designated Account by scanning checks and delivering the images and associated deposit information to CUTX. A Designated Account is any CUTX checking account that you or any joint owner or Authorized User designate as a 'deposit to' account.

To use the RDC Service, you must be a current and active CUTX member and acknowledge that the Designated Account must not be dormant, closed, or otherwise restricted for any reason. Further, you must keep each account you hold with CUTX in good standing, and observe and comply with all account agreements and disclosures governing each account you hold with CUTX.

We can reject any Image for any reason, without liability, even if a confirmation notice was provided. We will take reasonable measures to ensure that RDC Service is available; but, we are not liable for system failures or temporary service disruptions that cause RDC Service to be unavailable. Possible RDC service disruptions or system failures would include issues encountered by an Internet service provider, Internet software, or mobile service provider.

### **2. BUSINESS DAYS AND PROCESSING TIMEFRAMES**

You may send a check image to CUTX Monday through Sunday, 24 hours a day (except during scheduled maintenance timeframes). CUTX defines a Business Day as Monday through Friday from 9:00 A.M. CT to 6:00 P.M. CT ("Business Day"). The Cut-off time to deposit a check image to process on the same Business Day is 6:00 P.M. CT ("Cut-off"). When a deposit you make falls on a non-Business Day (any federal holiday, Saturday, or Sunday), CUTX processes such deposit on the next Business Day. CUTX reserves the right to change the processing Cut-off time without prior notice to you in our sole and absolute discretion.

### **3. ENDORSEMENT AND CHECK IMAGE**

You may deposit a check image only to your Designated Account or to an account on which you are a joint owner. You understand and agree that you must endorse the check and write "For Remote Deposit at CUTX Only" on the back of the original paper check prior to capturing the check image. Your endorsement must be consistent with any endorsement specifications as set forth in your Account Agreements. The check image must accurately and legibly identify the drawer and paying bank preprinted on the paper check, include machine readable Magnetic Ink Character Recognition ("MICR"), and include the drawer's signature(s).

The check image must also include all other information placed on the original paper check prior to the time you capture the check image, such as any identification written on the front of the original paper check. You attest that the integrity of the check image meets 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. You are solely responsible for the quality of each check image you capture and deposit through the RDC Service.

CUTX is not responsible for any check image we do not receive.

#### **4. UNACCEPTABLE DEPOSITS**

You understand and agree that the items listed in this Section, below, are strictly prohibited and you are not permitted to deposit such items with your use of the RDC Service. You further understand that in the event you deposit any of the items listed below with your use of the RDC Service, such action may result in the immediate revocation of your use of the RDC Service and may subject you to collection efforts or any other remedy CUTX may have. The prohibited items are:

- a. Item that is stamped with a "non-negotiable" watermark or legend
- b. Item that contains evidence of alteration to the information on the check
- c. Item drawn on a financial institution located outside the United States and its territories
- d. Item issued in a non-U.S. currency
- e. Item that is incomplete
- f. Item that is greater than 180-days old or post-dated
- g. Savings Bonds
- h. Third party check, i.e., any item that is made payable to another party and then endorsed to you by such party
- i. Starter or counter check
- j. Check which you know, should know, suspect or should suspect to be fraudulent
- k. Items previously converted to a substitute check or check image
- l. Deposits from the same account that the deposit is crediting
- m. Checks that are drawn or otherwise issued by the U.S. Treasury Department
- n. Checks that have been previously returned as unpaid

#### **5. REJECTED AND RETURNED ITEMS**

You understand and agree that CUTX reserves the right, at our sole and absolute discretion, to accept or reject any check image that you attempt to deposit through the RDC Service, even if the check image is error-free. You agree that CUTX is not liable for any service charges or late charges levied against you due to our rejection of any item you transmit through the RDC Service. You understand and agree that any initial credit to your Designated Account with your use of the RDC Service is subject to be debited from the Designated Account until CUTX receives final payment from the financial institution on which the deposited item is drawn. Upon our receipt of any unpaid returned item, you authorize CUTX to debit your Designated Account or any account you hold with CUTX. You understand that in all cases, you are responsible for any loss, overdraft, and any applicable fees to your Designated Account due to an item being returned as unpaid, for any reason.

#### **6. FUNDS AVAILABILITY**

Check images you send through the RDC Service do not fall under, and are not subject to, the CUTX Funds Availability Policy in accordance with Regulation CC. When you deposit a check image using the RDC Service, funds from that deposit may not become available for up to seven business days.

#### **7. RDC DEPOSIT LIMITS**



Dollar limits for RDC Service are displayed in the user interface for this service and are subject to change at any time without prior notice to you.

## **8. COMPLIANCE WITH LAW**

A check image is governed by the same rules that would apply under the Uniform Commercial Code (UCC) as if you had deposited a paper check. A check image may be construed as an “instrument,” “item” or “order” as those terms may be applied by analogy under the UCC. You agree to use the RDC Service only 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, as well as all CUTX agreements applicable to your use of the RDC Service. You understand and agree not to use any CUTX product, service, or access device for illegal activity.

## **9. ACCOUNTHOLDER’S WARRANTIES**

You must abide by all warranties and representations that fall under UCC. You agree that you are abiding to these warranties and representations, including, but not limited to:

- a. Each check image you transmit to CUTX is a true and accurate rendition of all information on the front and back of the original paper check, without any alteration, and the drawer of the paper check has no defense against payment thereof.
- b. The amount, payee, signature(s), and endorsement(s) on the original paper check are legible, genuine, and accurate.
- c. You will not deposit or otherwise endorse the original paper check to any third party or person, including another financial institution.
- d. 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.
- e. There are no duplicate images of the original paper check other than the check image you capture of the original paper check.
- f. You have instituted procedures to ensure that each original paper check was authorized by the drawer in the amount, and to the payee, on the original paper check.
- g. You are authorized to enforce each check image you transmit or are otherwise authorized to deposit such check image on the behalf of the person entitled to enforce such deposit.
- h. You provided true, accurate, and correct information in any Application for the RDC Service and continue to keep your information current with CUTX.
- i. You have not knowingly failed to communicate any material information to CUTX.
- j. You have possession of each original paper check you deposit through the RDC Service and no party will submit the original paper check for payment to any financial institution.
- k. You assert that files and check images you transmit to CUTX do not contain viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

## **10. DISPOSAL OF ORIGINAL CHECKS**

You must keep the original check until the deposit is reflected in your Available Balance. After you verify that the deposit is reflected in your Available Balance, you must destroy the original check.