

**HERITAGE FEDERAL CREDIT UNION
REMOTE DEPOSIT CAPTURE USER AGREEMENT**

Effective: 03/31/2014

This Remote Deposit Capture User Agreement ("Agreement") contains the terms and conditions for the use of remote deposit capture services that Heritage Federal Credit Union ("Heritage Federal," "us," or "we") may provide to you ("you," "your," "user," or "Accountholder"). Other agreements you have entered into with Heritage Federal, including your Membership, as amended from time to time, are incorporated by reference and made a part of this Agreement.

1. Service. The Remote Deposit Capture Service ("Service") is designed to allow you to make deposits to your checking account ("Account") from home or other remote locations by scanning checks and delivering the images and associated deposit information to Heritage Federal or Heritage Federal's designated processor.
2. Acceptance of these Terms. Your use of the Service constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via e-mail, text message, or on our website(s) by providing a link to the revised Agreement or by an online secure message. Your acceptance of the revised terms and conditions along with the continued use of the Service will indicate your consent to be bound by the revised Agreement. Further, Heritage Federal reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Service. Your continued use of the Service will indicate your acceptance of any such changes to the Service.
3. Limitations of Service. When using the Service, you may experience technical or other difficulties. We will attempt to post alerts on our website or send you a text message to notify you of these interruptions in Service. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. The Service may have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you. Occasionally, Heritage Federal, or its service providers, will perform routine or emergency system maintenance that may result in periods in which the system is unavailable. Heritage Federal will strive to limit such periods of maintenance to a minimum.
4. Hardware and Software. In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by Heritage Federal from time to time. Heritage Federal is not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.
5. Eligible items. The terms "Check" and "Item" are interchangeable as a negotiable instrument. You agree to scan and deposit only "check(s)" as that term is defined in Federal Reserve Regulation CC ("Regulation CC"). You agree that the image of the check transmitted to us shall be deemed an "item" within the meaning of Articles 3 and 4 of the Uniform Commercial Code.
6. Unacceptable Items for Deposit. You agree that you will not use the Service to scan and deposit the following items:
 - Any check drawn on your personal account in which the deposit is being made;
 - Any check that is made payable to another party and then endorsed to you by such party;
 - Any check that appears to contain altered information;
 - Any check payable jointly, unless deposited into an account in the name of all payees;
 - Any check previously converted to a substitute check, as defined in Reg. CC;
 - Any check drawn on a financial institution located outside the United States or is written in an amount in non U.S. currency;
 - Any check that is a remotely created check, as defined in Reg. CC;

- Any check dated more than 6 months prior to the date of deposit;
- Any check with “non-negotiable,” “void,” or other word or phrase indicating that the check is not valid (whether stamped in print or as a watermark);
- Any check that is incomplete;
- Any check that has been re-deposited or returned such as “non-sufficient funds” or refer-to-maker” or returned for any other reason;
- Any check that has previously been negotiated or deposited into any account at Heritage Federal or any other financial institution;
- Any check that has previously been submitted for deposit and subsequently rejected by us;
- Any check on which a stop payment order has been issued or for which there are insufficient funds;
- Money Orders;
- Traveler’s Checks;
- Insurance drafts;
- Credit card cash advance checks; and
- Savings Bonds.

Deposits of this nature will result in the termination of the Service and) an immediate reversal of the credit to your Account. A reversal means the amount of the item(s) deposited will be removed from your Account and will reduce your Account balance. The reversal may also result in a negative balance in your Account.

7. Check Requirements. Any image of a check must accurately and legibly provide all the information on the front and back of the check. Prior to scanning the original check, **you must restrictively endorse the back of the check with “For eDeposit only”, and your signature**. You agree to follow any and all other procedures and instructions for use of the Service as Heritage Federal may establish from time to time. The scanned image of the check transmitted to us must accurately and legibly provide, among other things, the following information: (1) your endorsement; (2) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and signatures; and (3) 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 Board, and any other regulatory agency, clearinghouse or association.
8. Receipt of Checks. We reserve the right to reject any check or item transmitted through the Service, at our discretion, without liability to you. We are not responsible for checks or items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from Heritage Federal that we have received the image. Receipt of such confirmation does not mean that the transmission was error free, complete or will be considered a deposit and credited to your Account. We reserve the right to charge back to your Account, at any time, any item that we subsequently determine was not an eligible item. You agree that Heritage Federal is not liable for any loss, costs, or fees you may incur as a result of our chargeback of an ineligible check or item.
9. Deposited Items Returned Unpaid. In the event that a check or item that you transmit to us for remote deposit for credit to your Account is dishonored, rejected, or returned for any reason, you authorize us to debit the amount of the check or item from your Account, or offset the amount from any of your other accounts, and assess appropriate fees per the Heritage Federal fee schedule. You understand that returned deposit activity may result in cancellation of your Remote Deposit privileges.
10. Business Day and Availability of Funds. Our Mobile Remote Deposit business days are Monday through Friday, excluding holidays, until 6:30 p.m. Central Time. In general, if an image of an item you transmit through the Service is received and accepted before 6:30 p.m. Central Time on a business day that we are open, we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are open. You agree that items transmitted using this Service are not

subject to the funds availability requirements of Regulation CC of the Federal Reserve. You also agree that the items are not subject to the dispute resolution process or requirements established under the Electronic Funds Transfer Act or Regulation E. We will make funds available for checks and items received, accepted, and successfully processed through the Service according to our standard funds availability policy.

11. Member Service and Support. General questions related to the operation or use of the Service is available during the days and hours as published in our web site. Members may also email Heritage Federal for assistance at hfcuonline@hfcu.info.
12. Fees. Heritage Federal may impose fees for the Service. Applicable fees are disclosed in Heritage Federal's fee schedule. You are responsible for paying the fees for use of the Services. Heritage Federal may change the fees for Services at any time. You authorize Heritage Federal to deduct any such fees from any account in your name.
13. Longer Delays May Apply. You understand that funds deposited via the Service, while generally available by the 2nd business day after we receive and approve them, may be delayed for a longer period. We will notify you if availability of funds are delayed and will tell you when the funds will be available.
14. Disposal of Transmitted Items. Upon your receipt of a confirmation from Heritage Federal that we have received an image that you have transmitted, you agree to retain the check for at least 60 days from the date of the image transmission. After 60 days, you agree to destroy the check that you transmitted as an image, mark it "VOID" or otherwise commercially render it incapable of further transmission, deposit, or presentment. During the time the retained check is available, you agree to promptly provide it to Heritage Federal upon request.
15. Changes to Contact Information. You agree to notify us immediately of any changes to your contact information, including your email address, residential and/or mailing address, and telephone number(s), so that all your records at Heritage Federal can be updated accordingly. You authorize us to send information and inquiries to the email address we have on file for your Account.
16. Deposit Limits. We reserve the right to impose limits on the dollar amount and/or number of items or deposits that you transmit using the Service and to modify such limits from time to time. Your limit will be displayed on screen at the time of deposit.
17. Errors and Disputes. You agree to notify Heritage Federal of any suspected errors regarding items deposited through the Service promptly, and in no event later than 60 days after the account statement is sent. Unless you notify Heritage Federal within 60 days, such statement regarding all deposits made through the Service shall be deemed correct, and you are prohibited from bringing a claim against Heritage Federal for any alleged error.
18. Accountholder Warranties. You make the following warranties and representations with respect to your use of the Service and each image of an original check you transmit to us using the Service:
 - Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check, without alterations;
 - The amount, payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate;
 - Each check that you submit to us for deposit will not be resubmitted in any format to us or to any other financial institution for payment and will not cause the same drawer's account to be debited twice;
 - Other than the digital image of an original check that you remotely deposit through the Service, there are no other duplicate images of the original check;
 - 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;
 - You have not knowingly failed to communicate any material information to us;
 - You will retain possession of each original check deposited using the Service for the required retention period and neither you nor any other party will submit the original for payment;

- You will not use the Service for any illegal transactions;
- Files and images transmitted to us will contain no viruses, malware or any other disabling features that may have an adverse impact on our network, data, or related systems.

19. Accountholder Indemnification Obligation. You understand and agree that you indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorney's fees and expenses, arising from your use of the Service and or breach of this Agreement. You understand and agree that this indemnification shall survive the termination of this Agreement.
20. Termination of the Service. You may terminate the Service provided for in this Agreement by contacting us in writing, via email, or by calling us at (812) 253-6928 or toll free at (800) 858-1693. We may terminate your use of the Service at any time without notice. In the event of termination of the Service, you will remain liable for all transactions performed on your account.
21. Relationship to Other Disclosures. The information in this Agreement applies only to the Service described herein. Provisions in other disclosure documents as may be revised from time to time remain effective for all other aspects of your Account.
22. Enforceability. We may waive enforcement of any provision of this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect our rights with respect to any other transaction or to modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.
23. Governing Law. You understand and agree that this Agreement, the disclosures set forth herein 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 Indiana, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. You also agree to submit to the personal jurisdiction of the Circuit or Superior Courts of Warrick County, Indiana. Further, you agree to abide by any applicable rules, laws, or regulations as they pertain to payment systems.
24. Definitions. As used in this Agreement, the following words have the meanings given below:

Check (as defined in Regulation CC) means:

- A negotiable demand draft drawn on or payable through or at an office of a financial institution;
- A negotiable demand draft drawn on a Federal Reserve Bank or a Federal Home Loan Bank;
- A negotiable demand draft drawn on the Treasury of the United States;
- A demand draft drawn on a state government or unit of general local government that is not payable through or at a financial institution;
- A United States Postal Service money order; or
- A traveler's check drawn on or payable through or at a financial institution.
- The term check includes an original check and a substitute check.

NOTE: The term *check* does not include a noncash item or an item payable in a medium other than United States money. A draft may be a *check* even though it is described on its face by another term, such as *money order*. For purposes of this Agreement,, the term *check* also includes a demand draft of the type described above that is nonnegotiable.

Item (as defined in Article 4 of the Uniform Commercial Code) means an instrument or a promise or order to pay money handled by a bank for collection or payment.

Remotely Created Check (as defined in Regulation CC) means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

Substitute Check (as defined in Regulation CC) means a paper reproduction of an original check that—

- Contains an image of the front and back of the original check;
- Bears a MICR line that, except as provided under ANS X9.100-140 (unless the Board by rule or order determines that a different standard applies), contains all the information appearing on the MICR line of the original check at the time that the original check was issued and any additional information that was encoded on the original check's MICR line before an image of the original check was captured;
- Conforms in paper stock, dimension, and otherwise with ANS X9.100-140 (unless the Board by rule or order determines that a different standard applies); and
- Is suitable for automated processing in the same manner as the original check.

25. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE AND (iv) ANY ERRORS IN THE SERVICE OR TECHNOLOGY WILL BE CORRECTED.
26. LIMITATION OF LIABILITY. YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICE INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF HERITAGE FEDERAL HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.

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