

Universal 1 Credit Union, Inc.

Mobile Deposit – Remote Capture Services Agreement and Disclosure

In this Agreement and Disclosure, the words “you” and “your” refer to the member that uses any of Universal 1 Credit Union Mobile Deposit (U1MD) - Remote Deposit Capture Services (the “Services”). The words “U1,” “us,” “we,” and “our” refer to Universal 1 Credit Union. The U1 Account Agreements and Disclosure are hereby incorporated into and made a part of this Agreement and Disclosure. In the event of a discrepancy between this Agreement and Disclosure or the Account Agreement, this Agreement and Disclosure will supersede the Account Agreement.

1. USE OF THE SERVICES - Following U1’s approval and your acceptance of this Agreement, you are authorized by U1 to remotely deposit paper checks through the U1MD application to your account with U1 (the “Account”) by electronically transmitting digital images of paper checks. Your use of the Services constitutes your acceptance of the terms and conditions of this Agreement and Disclosure. U1 may revoke or limit access to Services at our discretion. U1 may change your access to Services, transaction limits, or availability of deposits at any time and without prior notice. You agree to comply with the hardware and software requirements set forth by U1.

2. RECEIPT OF DEPOSIT - Upon receipt of the digital image, U1 will review the image for acceptability. You understand and agree that receipt of an image does not occur until after U1 notifies you of receipt of the image via email notification. You understand that, in the event you receive a notification from U1 confirming receipt of an image, such notification does not mean that the image contains any errors. You understand that you are responsible for any information that you transmit to U1. U1 is not responsible for any image that we do not receive. Following receipt of the image, U1 may process the image by preparing a “substitute check” or clearing the item as an image. Notwithstanding anything to the contrary, U1 reserves the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your Account. You understand that any amount credited to your Account for items deposited using the Services is a provisional credit and you agree to indemnify U1 against any loss U1 suffers because of our acceptance of your remotely deposited checks. Furthermore you acknowledge and agree that no transaction made through or using the Service is an “electronic funds transfer” as defined by the federal Electronic Fund Transfer Act and/or Regulation E of the Consumer Financial Protection Bureau.

3. ELIGIBLE ACCOUNTS - This Service can be used to make deposits into your U1 savings or checking account only. You are not permitted to use this Service to make payments on your outstanding U1 loans or VISA.

4. LIMITATIONS ON FREQUENCY AND DOLLAR AMOUNT - You understand and agree that you cannot exceed the limitations on frequency and the dollar amounts of remote deposits that are set forth by U1. If we permit you to make a deposit in excess of the established limits, such deposit will still be subject to the terms of this agreement, and we will not be obligated to allow such a deposit at other times.

5. ELIGIBLE ITEMS - Any image of a check that you transmit to U1 must accurately and legibly provide all the information on the front and back of the check at the time it’s presented to U1. Prior to capturing the image of the check, you will endorse the back of the original check. You are required to endorse any item with your signature and adding the restrictive endorsement “For U1 Mobile Deposit Only”, including your account number and suffix:

FOR U1 MOBILE DEPOSIT ONLY
SIGNATURE
ACCOUNT NUMBER
DATE MM/DD/YY

The image of the check transmitted to U1 must accurately and legibly provide, but not limited to, ensuring the following information can be clearly read and understood by sight review of the image: (1) the amount of the check (both written and numeric); (2) the payee; (3) the date the check was written; (4) the signature of the drawer (maker); (5) the check number; (6) the pre-printed information that identifies the drawer and the financial institution on which the check is drawn, including the MICR encoded account number and financial institution routing/transit number; (7) all other information placed on the check prior to the time an image of the check is captured, such as 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, and any other regulatory agency or clearing house or association.

6. REJECTION OF DEPOSIT - U1 is not liable for any service or late charges levied against you due to U1’s rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees due to an item being rejected or returned.

7. RETURNED DEPOSITS - Any credit to your account for checks deposited using U1MD is provisional. If original checks deposited through U1MD are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, issues relating to the quality of the image, you agree that an original check will not be returned to you, but that we may charge back the amount of the original check and provide you with an image of the original check, a paper reproduction of the original check or a substitute check. You will reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned item. Without our approval, you shall not attempt to deposit or otherwise negotiate an original check if it has been charged back to you. U1 may debit any of your accounts to obtain payment for any item that has been rejected or returned including any applicable fees, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

8. CONTACT INFORMATION - You agree to notify U1 immediately if you change your residential/mailling address, your telephone number or your email address, as this is the email address where U1 may communicate with you regarding any remote deposit items, if necessary. You authorize us to send information or inquiries to the email address we have on file for your account.

9. UNAVAILABILITY OF SERVICES - You understand and agree that the Services may at times be temporarily unavailable due to system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet software. In the event that the Services are unavailable, you acknowledge that you can deposit an original check at any U1 location, ATM, or participating shared branch location.

<https://www.u1cu.org/anywhere>

10. FUNDS AVAILABILITY - You understand and agree that, for purposes of deposits made using the Services, the place of deposit is Dayton, Ohio. Refer to the Funds Availability Policy for additional information. As a general rule, funds from deposits made by U1MD will be made available to you on the second Business Day following the Business Day on which we accept the check image from you. However, funds may not be available for up to seven business days from the day the deposit was made based on such factors as creditworthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as U1, in our sole discretion, deem relevant, and/or based upon funds availability options U1 may offer to you in connection with the Service. You acknowledge and agree that no funds availability option U1 offers constitutes a promise or guarantee that check funds will be finally collected from the drawee institution and/or finally paid to you. For purposes of this Service, the term "Business Day" means Monday, Tuesday, Wednesday, Thursday or Friday, except when those days are holidays or days on which we may be closed due to emergency conditions. Check images received by us before 4:00 p.m. Eastern Standard Time (EST) on a Business Day will be processed on the same day. Check images received by us after 4:00 p.m. EST will be processed on the next Business Day.

11. SPECIAL ENDORSEMENT STANDARDS - The Federal Law regarding funds availability requires the Financial Institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing your deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing you) can be used by you for endorsements or any other markings. U1 will not be responsible for any damages incurred in the event you deposit an item that is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by you or a prior endorser on the back of the check.

12. ACCOUNTHOLDER'S WARRANTIES - You make the following warranties and representations with respect to each image of an original check you transmit to U1 utilizing the Services:

- Each image is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of the check.
- The amount, payee(s), signature(s), and endorsement(s) on the image and on the original check are legible, genuine, and accurate.
- 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.
- There are no other duplicate images of the original check.
- The original check was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of the original check.
- You have possession of the original check and no party will submit the original check for payment.

- 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.

With respect to each image, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation or clearinghouse rule. You agree that files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

13. STORAGE OF ORIGINAL CHECKS - After you transmit any check image to U1 and receive confirmation from U1 that we have received the image, you agree to securely store the original check for a period of thirty (30) days ("Check Retention Period"). During the Check Retention Period, you agree to take appropriate measures to ensure that (a) only authorized persons will have access to the check; (b) the information contained on the check will not be improperly disclosed; and (c) the check will not be duplicated or negotiated in any form. Promptly after the expiration of the Check Retention Period, you agree to destroy the original check by first marking it "VOID", then destroying it by cross-cut shredding or another commercially acceptable means of destruction. After destruction of an original check, the image will be the sole evidence of the original check. You agree that you will never represent the original check. During any time the original check or a copy or image thereof is available to you or in your possession, you agree to furnish it to U1 upon request.

14. SECURING IMAGES ON MOBILE DEVICES - When using U1MD, you understand that check images captured using your mobile device are stored on the device only until the associated deposit has been successfully submitted. You agree to promptly complete each deposit. In the event that you are unable to promptly complete your deposit, you agree to ensure that your mobile device remains securely in your possession until the deposit has been completed or to delete the associated images from the application.

15. IN CASE OF ERRORS - In the event that you believe there has been an error with respect to any original check or image thereof transmitted to U1 for deposit or a breach of this Agreement, you will within one business day after discovering the error contact U1 regarding such error or breach by calling 800.762.9555, ext.360.

16. PERIODIC STATEMENT - You agree to notify us of any suspected errors regarding items deposited through U1MD as soon as possible, and in no event later than 60 days after the applicable Credit Union account statement is sent to you via mail or eStatement. Unless you notify us within 60 days, such statement regarding all deposits made through U1MD shall be deemed correct, and you are prohibited from bringing a claim against us for such alleged error.

17. CHARGES FOR USE OF THE SERVICES - All charges associated with the Services are disclosed in U1's Fee Schedule.

18. UNACCEPTABLE DEPOSITS - You understand and agree that you are not permitted to deposit the following items using the Services:

- Any item drawn on your account or your affiliate's account.
- Any item that is stamped with a "non-negotiable" watermark.
- Any item that contains evidence of alteration to the information on the check.
- Any item issued by a financial institution in a foreign country.
- Any item that is incomplete.
- Any item that is dated more than six (6) months prior to the date of scanning or is post-dated (dated in the future).
- Savings Bonds.
- Any third party check, item(s) made payable to someone other than yourself or other authorized signers on the account.
- Any item with a restrictive endorsement.
- Any item that is either a substitute check (as defined in Regulation CC or other applicable federal law or regulation) or an image replacement document that purports a substitute check.
- Any item that is payable jointly unless the check is endorsed by both parties and deposited into a joint account.

19. TERMINATION OF THE SERVICES - You may, by written request, terminate the Services provided for in this Agreement and Disclosure. U1 may terminate your use of the Services at any time without notice. In the event of termination of the Services, you will remain liable for all transactions performed on your Account.

20. RELATIONSHIP TO OTHER DISCLOSURES - The information in this Disclosure applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the Account.

21. **ACCOUNTHOLDER'S INDEMNIFICATION OBLIGATION** - You understand and agree that you are required to indemnify U1 and hold U1 harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including attorneys' fees and expenses arising from your use of the Services and/or breach of this Agreement and Disclosure. You agree to use the Services for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of U1 business. 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. This indemnity will survive termination of your Account and this Agreement.

22. **CHANGE IN TERMS** - U1 may change the terms and charges for the Services indicated in this Agreement and Disclosure by notifying you of such change in writing and may amend, modify, add to, or delete from this Agreement and Disclosure from time to time. Your use of the Services after receipt of notification of any change by U1 constitutes your acceptance of the change.

23. **WARRANTIES** - YOU UNDERSTAND THAT U1 DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. U1 IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR U1'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF YOUR PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

24. **WAIVER** - The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.