

## **KEMBA LOUISVILLE CREDIT UNION MOBILE DEPOSIT RULES and AGREEMENT**

This Mobile Deposit Service Agreement (“Agreement”) contains the terms and conditions for the mobile deposit capture services that KEMBA Louisville Credit Union may provide to you. The words “we,” “us,” “our,” and “credit union” mean KEMBA Louisville Credit Union. The words “you” and “your” mean each and all those who use the mobile deposit services. The word “account” means any one or more deposit accounts you have with the credit union. Your Membership and Account Agreement is hereby incorporated into and made a part of this Agreement. In the event of a discrepancy between this Agreement and the Membership and Account Agreement, this Agreement will control.

**Services:** The mobile deposit services (“Mobile Deposit”) are designed to allow you to make the deposit of a check (“original check”) to your account from home or other remote location by electronically transmitting a digital image of the original check (“image”) to us or our designated processor. Original checks are converted to “substitute checks,” as such term is defined in the Check Clearing for the 21st Century Act and Federal Reserve Board Regulation CC, for deposit with the credit union and for processing and presentment to a collecting or paying financial institution. For purposes of this Agreement, a “substitute check” (as defined in Regulation CC) is a check reproduction of an original check that:

- Contains an image of the front and back of the original check;
- Bears an MICR line that contains all the information appearing on the MICR line of the original check at the time 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 ANSI X9.100-140; and
- Is suitable for automated processing in the same manner as the original check.

**Eligibility:** You must be a KEMBA Louisville Credit Union member for 90 days before you are eligible to use the Mobile Deposit feature. You must be current on all loans, and have no history of frequent overdrafts in the last 90 days.

**Acceptance of Agreement.** By using the Mobile Deposit service or signing the “acceptance” below, you agree to the terms and conditions in this Agreement, including any amendments. Your use of the service constitutes your acceptance of this Agreement. You agree to comply with the hardware and software requirements set forth herein. There is currently no charge for Mobile Deposit. However, we reserve the right to change the terms and charges for Mobile Deposit at any time, and we may amend, modify, add to, or delete from this Agreement from time to time. Your continued use of Mobile Deposit will indicate your acceptance of the revised Agreement.

**Compliance with Laws:** You agree to comply with all laws, statutes, regulations, and ordinances pertaining to your use of Mobile Deposit, as well as all laws relating to the banking transactions contemplated hereunder. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which we are a party that govern Mobile Deposit. You promise to indemnify and hold us harmless from any damages, liabilities, costs, expenses (including attorneys’ fees), or other harm arising out of any violation thereof. This indemnity shall survive termination of your account with us and this Agreement.

**Deposit Limits:** Per item limit: \$500.00

Daily limit: \$1,000.00  
There is no item number limit.

**Endorsement:** Items must be endorsed on back of check with “*For mobile deposit only to KEMBA Louisville CU*” and must include the payee’s (your) signature.

PLEASE NOTE: if the back of the check is not properly endorsed we have the right to reject the deposit.

**Eligible Items:** You agree to deposit only “checks,” as that term is defined in Federal Reserve Board Regulation CC. For purposes of this Agreement, “check” (as defined in Regulation CC) means a negotiable demand draft that is drawn on:

- Or payable through or at an office of a bank or credit union;
- A Federal Reserve Bank or a Federal Home Loan Bank;
- The Treasury of the United States;
- A state or local government check that is not payable through or at a bank or credit union;

**Unacceptable Deposits:** You understand and agree that you will not use Mobile Deposit to deposit:

- A check payable to any party other than the party that owns the account the check is being deposited to;
- Any third-party check, i.e., any item made payable to another party and then endorsed to you by that party;
- A check to a personal account that is payable to a business;
- A check payable to a business name that is not on your KEMBA Louisville Credit Union business account, even if you are the business owner;
- A check containing evidence of alteration to the information on the check that you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the check is drawn;
- A check made payable to more than one party (including tax-refund checks and other government checks), unless deposited into an account in the names of all payees;
- A check previously converted to a “substitute check,” as defined in Regulation CC;
- A check drawn on a financial institution located outside the United States;
- A check not payable in United States currency;
- A check dated more than six months prior to the date of deposit;
- A check that is postdated after the date of deposit;
- A check payable on sight or payable through drafts, as defined by Regulation CC;
- A check with any endorsement on the back other than that specified in this Agreement;
- A check that has previously been submitted through Mobile Deposit or through a remote deposit capture service offered at any other financial institution;
  
- A check drawn on your personal account at the credit union;
- A check stamped “nonnegotiable” (whether stamped in print or as a watermark);
- A check that has been redeposited or returned, such as “nonsufficient funds” or “refer to maker,” or returned for any other reason;
- Any item that is incomplete;
- Cash;

- Savings bonds;
- Government-issued warrants;
- Any item with a qualified endorsement (e.g., “without recourse,” “John Doe”); or
- Any item with a conditional endorsement (e.g., “pay to the order of John Doe,” “when car is fixed”).

**Funds Availability:** Funds will appear in your account once the transaction is credited to your account, which will be at the earliest, the morning after deposit. Funds deposited after 2:00 P.M., EST, will post the next business day. Please allow **48** hours for a deposit to post to your account. Business days are Monday through Friday, except holidays. Deposits are subject to verification and are not available for immediate withdrawal. Holds may apply to all deposit items. Please refer to our Funds Availability Policy to determine when funds will be available for your use.

Following receipt of the image, we may process the image by preparing a “substitute check.” Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for remote deposit into your account. In the event we reject an item for remote deposit, you understand and agree that you must deposit the original item. You understand and agree that even if we do not initially reject an item you deposit through Mobile Deposit, we may return the substitute check we created because, for example, the paying bank deems the electronic image illegible. Our failure to reject such an item shall not limit your liability to us. We are not liable for any service or late charges levied against you due to our rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your account due to an item being returned.

**Retention of items deposited:** Please retain the check/item deposited for 30 days to ensure it was properly credited to your account. After such period expires, you will destroy the original check. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks. During the retention period, you agree at your expense to promptly deliver any retained check, or a sufficient copy of the front and back of the check, to the credit union upon request to aid in the clearing and collection process, to resolve claims by third parties with respect to any check, or for our audit purposes. If not provided within seven (7) business days of our request, such amount will be reversed from your account. In addition, if you are unable to provide a sufficient copy of the front and back of the check, you will be liable for any unresolved claims by third parties.

You agree that you will never re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

**Hardware and Software Requirements:** In order to use Mobile Deposit, you must obtain and maintain, at your expense, your own mobile device.

**Periodic Statement and Your Duty to Report Errors:** Any remote deposits made using Mobile Deposit will be reflected on your monthly periodic statement. You understand and agree that you are required to immediately notify us of any suspected error relating to images transmitted using Mobile Deposit by no later than 60 days after the date of the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

**Returned Deposits:** Any credit to your account for checks deposited using Mobile Deposit is provisional. If original checks deposited through Mobile Deposit 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. With respect to any item that you transmit to us for remote deposit that we credit to your account, in the event such item is dishonored, you authorize us to debit the amount of such item from your account plus a returned-check fee as stated in our fee schedule. We will notify you via email of transactions we are unable to process because of returned items. Should the email be returned as undeliverable, the credit union will have completed our obligation to alert you of a rejected item and we are under no obligation to attempt any redelivery of the email. 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.

We may debit any of your accounts to obtain payment for any item that has been rejected or returned, 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.

**Your Warranties:** You make the following warranties and representations with respect to each image:

- Each image of a check transmitted to us 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 will retain possession of each original check deposited using Mobile Deposit for the required 30-day period, and neither you nor any other party will submit the original check for payment.
- You have not knowingly failed to communicate any material information to us.
- You will not use Mobile Deposit and/or your accounts for any illegal activity or transactions.
- 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.
- Each check you submit for deposit is drawn in United States dollars on a financial institution located in the United States, excluding its territories.

**Email Address:** You agree and understand that it is your full responsibility to keep the credit union informed of your most current email address, as this is the email address where we will send you notification of receipt and rejection of any remotely deposited items.

**Force Majeure:** The credit union shall not be liable for any loss, damage, liability, or claim arising directly or indirectly for any error, delay, or failure to perform hereunder that is caused by earthquakes, fires, natural disasters, civil or foreign disturbances, power outages, acts of government, labor disputes, failures in either communication or computer networks, legal constraints, or any other event beyond our control.

**Termination:** Either party may terminate this Agreement and the Mobile Deposit service without prior notice. Notwithstanding any such notice of termination, this Agreement shall remain effective in respect of any transaction occurring prior to such termination. Upon any termination of this Agreement, (i) you will immediately cease using Mobile Deposit, and (ii) you shall promptly remit all unpaid monies due under this Agreement. You may terminate the Mobile Deposit service by calling the credit union during business hours at (502) 459-1411 or 1(800)536-2210 or by writing us at KEMBA Louisville Credit Union, 4017 Poplar Level Road, Louisville, KY 40213. Upon your request, we will terminate your service within five business days of receipt of your notification. We reserve the right to terminate this Agreement or limit your use of Mobile Deposit at any time and for any reason at our discretion, with or without cause and without prior notice. Examples of when we may terminate this Agreement and the use of Mobile Deposit without prior notice include but are not limited to:

- If you breach this Agreement or any other agreement we may have with you;
- If we have reason to believe that there has been or may have been an unauthorized use of your user ID, password, authentication method, or account(s);
- If there are conflicting claims as to the funds in any of your account(s);
- If you request us to do so;
- If you do not access Mobile Deposit for a period of 30 consecutive days or longer;
- If you have insufficient funds in any one of your credit union accounts; or
- In order to protect the Mobile Deposit service or the credit union from harm or compromise of integrity, security, reputation, or operation.

Termination will not affect your liability or obligations under this Agreement for transactions that have been processed on your behalf. You will remain responsible for all outstanding fees and charges incurred prior to the date of termination. Termination will apply only to Mobile Deposit and does not terminate your other relationships with us.

Any termination will not affect obligations arising prior to termination, such as the obligation to process any checks and electronic items (including returned electronic items) that were in the process of being transmitted or collected prior to the termination date.

In addition, you will keep your account(s) at the credit union open until final payment with respect to all processing fees and will maintain funds in your account(s) in amounts and for a period of time as determined by the credit union in our reasonable discretion to cover any outstanding checks and your obligations for returns of checks, warranty claims, fees, and other obligations.

If any such liabilities exceed the amount in the applicable account, we may charge such excess against any of your other accounts and you will pay immediately upon demand any amount remaining unpaid.

**Mobile Deposit Unavailability:** Mobile Deposit may be unavailable temporarily due to system maintenance or technical difficulties, including those of the internet service provider, cellular service provider, or internet software. In the event that Mobile Deposit is unavailable, you acknowledge that

you may deposit original checks at our branch or through our ATMs. It is your sole responsibility to verify that items deposited using Mobile Deposit have been received and accepted for deposit by us.

**Mobile Deposit Security:** You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately during business hours by telephone at (502) 459-1411 or 1(800)536-2210 and, if requested, follow up with written confirmation if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit you and/or monitor your account activity, and you agree to cooperate with us in connection with such audit and/or monitoring, to confirm that you have satisfied your obligations under this Agreement.

You agree to notify us promptly if your mobile device is lost or stolen or if you have any reason to believe your Mobile Deposit access may have been compromised or is subject to compromise.

**Ownership and License:** We and our technology partners, inclusive of, but not limited to, Fiserv Incorporated, retain all rights, title, and interests in and to the Mobile Deposit service and related software and development made available to you. Your use of Mobile Deposit is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use Mobile Deposit. Without limiting the restriction of the foregoing, you may not use Mobile Deposit: (i) in any anti-competitive manner, (ii) for any purpose that would be contrary to our business interest, or (iii) to our actual or potential economic disadvantage in any respect. In addition, you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble, or decompile the technology or service; copy or reproduce all or any part of the technology or service; or interfere, or attempt to interfere, with the technology or service.

**Account Holder's Indemnification Obligation:** You agree to indemnify, defend, and hold harmless the credit union and our shareholders, directors, officers, employees, and agents against any and all losses, claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising from your use of Mobile Deposit and/or breach of this Agreement. You understand and agree that this paragraph shall survive the termination of this Agreement.

DISCLAIMER OF WARRANTIES. YOU UNDERSTAND AND AGREE THAT YOUR USE OF MOBILE DEPOSIT 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 MOBILE DEPOSIT 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 MOBILE

DEPOSIT SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN THE MOBILE DEPOSIT SERVICE OR TECHNOLOGY WILL BE CORRECTED. WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY, OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL, CAUSED BY YOUR INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF YOUR PERSONAL MOBILE DEVICE, HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

LIMITATION OF LIABILITY. YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR TERMINATION OF THE USE OF THE MOBILE DEPOSIT SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.

**Termination:** We may terminate this Agreement at any time and for any reason. This Agreement shall remain in full force and effect unless and until it is terminated by us. Without limiting the foregoing, this Agreement may be terminated if you breach any term of this Agreement, if you use the services for any unauthorized or illegal purposes, or if you use the services in a manner inconsistent with the terms of your Mobile Deposit Service Agreement or any other agreement with us.

**Financial Information:** You must inform us immediately of any material change in your financial circumstances or in any of the information provided in your application for Mobile Deposit. You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your history from time to time.

**Relationship to Other Disclosures:** The information in this Agreement applies only to the Mobile Deposit service described herein. Provisions in other disclosure documents, as may be revised from time to time, remain in effect for all other aspects of your account.

**Governing Law.** You understand and agree that this Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of Kentucky State, 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 courts of Kentucky State.

**Confidentiality:** You acknowledge and agree that confidential data relating to Mobile Deposit and our marketing strategies, business operations, and business systems (collectively, "Confidential Information") may come into your possession in connection with this Agreement. Such Confidential Information is the exclusive and confidential property of the credit union. You understand and agree that you are prohibited from disclosing and agree to maintain the confidentiality of our Confidential Information.

**Waiver:** The failure of either you or us to seek a redress for violation of, or to insist upon the strict

performance of, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver 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 that would have originally constituted the violation hereunder.

**Relationship:** This Agreement does not create, and shall not be construed to create, any joint venture or partnership between you and us. No officer, employee, agent, servant, or independent contractor of either of us shall at any time be deemed to be an employee, servant, agent, or contractor of the other party for any purpose whatsoever.

**Other Terms:** You may not assign this Agreement. A determination that any provision of this Agreement is unenforceable or invalid shall not render any other provision of this Agreement unenforceable or invalid.

**Questions on submitting a Mobile deposit?** Please refer to the Tips on using Mobile check deposit.

**Other questions on Mobile deposit?**

Contact us at:

E-mail: [KEMBA@kembaky.org](mailto:KEMBA@kembaky.org)

Phone: (502) 459-1411

(800) 536-2210



( IF completing blanks below using any method other than DocuSign, return just this page to the credit union via methods listed at the bottom of the page; keeping the rest for your files.  
If using DocuSign, be sure to PRINT and/or SAVE a copy for your files.)

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I agree to abide by the KEMBA Louisville Credit Union Mobile Deposit Rules, and the separate Terms of Service of our Mobile Banking app. KEMBA Louisville Credit Union must approve my application, before I may use the mobile deposit feature.

Name: \_\_\_\_\_ Date: \_\_\_\_\_  
(Print)

Account Number: \_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Signature: \_\_\_\_\_

**AFTER you have read and understand the Rules and Agreement**

Methods to return the completed enrollment form include:

- 1 - Email: [kemba@kembaky.org](mailto:kemba@kembaky.org)
- 2 - If received as a DocuSign document, return as a DocuSign submission
- 3 - FAX: (502) 459-4528
- 4 - Kroger 'Store' mail
- 5 - U.S. Mail: KEMBA Louisville Credit Union, 4017 Poplar Level Road, Louisville, KY 40213-1523
- 6 - In person at the address listed in #5

Thank you for using your credit union and its services!