

# TERMS AND CONDITIONS OF BECU ONLINE DEPOSIT CAPTURE SERVICE



**Important Change in Terms Effective August 2, 2018:** When depositing a check using BECU's Online Deposit service, you must endorse your check (sign the back of the check you are depositing) indicating that you are remotely depositing the check.

Proper endorsement format for Online Deposit is:

“John Doe” [your signature]  
“For BECU Online Deposit only”

Please view the new terms and conditions below (also available at [www.becu.org/support/forms/disclosures](http://www.becu.org/support/forms/disclosures)). Your continued use of the service or when you select 'I agree' within the service, indicates your agreement with and acceptance of the new terms and conditions for the service.

## AGREEMENT AND DISCLOSURES

This agreement contains the terms and conditions pertaining to the online deposit capture service ("Online Deposit") offered by Boeing Employees' Credit Union ("BECU") ("Agreement"). By using BECU's Online Deposit by way of BECU online banking service ("Online Banking"), or authorizing others to use it on your behalf, you agree to these terms and conditions, and any changes to it that are made from time to time. The terms and conditions in this Agreement are in addition to the terms and conditions of the Account Agreement Booklet or Business Account Agreements which otherwise governs your rights and obligations when using your accounts. To the extent there is a conflict between this Agreement and your Business Account Agreements or Account Agreement, the terms and conditions in the Business Account Agreements or Account Agreement Booklet shall govern. You should carefully read all of the information in this Agreement and retain it for your records.

## DEFINITION OF TERMS

As used in this Agreement, the following words have the meanings given below:

"You" and "your" mean each person or entity, individually, and collectively, who is bound by a signed Membership Application form, a Business Membership Application form (or other account documentation) as a Primary Member, Joint Account holder, Business Owner or Authorized Signer, or any authorized users of an account, and each person who has signed any previous version of a BECU account signature Card or enrollment form.

"We", "us", "our", refers to BECU.

"Service" means the Online Deposit Service offered by BECU, through selected third party service providers.

"Scanner" means an image capture device.

"Image Exchange Item" means the digitized image created of an item and transmitted to us using Online Deposit for deposit, collection or payment, and maybe cleared and settled with a payor financial institution, with or without conversion to a Substitute Check.

"Substitute Check" means a paper reproduction of an Item that satisfies the requirements and definition of "substitute check" set forth in Regulation CC.

"Imaged Item" means the check you used to create an Image Exchange Item.

"Regulation CC" means 12 C.F.R. Part 229, as it may be amended from time to time.

"Check 21 Law" means the federal law commonly known as The Check Clearing for the 21st Century Act.

"Business Day" is every Monday through Friday, excluding Federal Reserve holidays.

## SERVICES COVERED BY THIS AGREEMENT

Upon your selecting Online Deposit service through Online Banking, Online Deposit will be established for BECU accounts that you are authorized to transact on. You will use your Online Banking password to initiate Online Deposits over the Internet. It's your responsibility to use the drop down list to select the appropriate account to which you make your deposit. Online Deposit uses check conversion technology to convert original checks to Image Exchange Items for deposit to BECU as the bank of first deposit. You will transmit to us electronic images of original checks, or Image Exchange Items, by use of a scanner, computer, internet access, web-based interface software, and Online Banking access. Substitute Checks or Image Exchange Items will be prepared to facilitate the deposit and collection of the Imaged Item which you have transmitted. You understand and agree that Online Deposit service may be provided by BECU or by its designated agent.

## IMPLEMENTATION

You will scan items into your Scanner in accordance with requirements established by the scanner's manufacturer and in a manner as set forth in our Online Deposit Agreement, and transmit the Image Exchange Item to us or our processing agent over the Internet through a web-based interface. We or our processing agent shall perform an image quality assessment of Image Exchange Items and those items meeting the standards set forth in this Agreement may be converted into Substitute Checks or remain as Image Exchange Items, to facilitate the deposit and collection of such items.

## YOUR OBLIGATIONS

As you convert original checks into electronic images for transmission and deposit into your account, you must transmit all of the information from the front and back of the original check. You are responsible for all warranties and indemnifications for the Reconverting and Truncating Bank, as defined in the Check 21 Law. You also warrant that you will not deposit, and no depository bank, drawee, drawer, or endorser will be charged for, a Substitute Check, Imaged Item, Image Exchange Item, original check, or other electronic representation for a check that has already been paid or presented for deposit.

You agree to endorse, with a required restrictive endorsement, all items captured and submitted using the Services. The required restrictive endorsement you agree to sign is: "For BECU Online Deposit Only" above your signature. If you deposit an Item that does not contain this required restrictive endorsement, BECU may, in our sole discretion, debit any of your accounts for the amount of the Item you deposit that is missing the required restrictive endorsement, plus the amount of any fees. This means that, if you deposit an Item that does not contain the required restrictive endorsement, and if BECU decides, in our sole discretion, for any reason whatsoever, we may debit the amount of the improperly endorsed item from any of your accounts you hold individually or jointly, even the item was not deposited to such account.

If you create an Image Exchange Item, or electronic image for deposit into your account, you agree that it shall:

- a. accurately represent all of the information on the front and back of the original check at the time the original check was scanned;
- b. contain all endorsements applied by any party that previously handled the original check in any form for forward collection or return; and
- c. contain the identity of other financial institutions or other party as required by law;
- d. not be re-deposited or re-presented for deposit.

You also agree that after scanning, you will maintain original checks in a secured location for 15 days to permit research if items are questioned by parties either involved in the processing and clearing of a transaction or otherwise, or become the subject of any other inquiry. After the 15 day period, we require that the Imaged Items or original checks be destroyed.

We reserve the right to eliminate or change any of the functional capabilities of Online Deposit at any time without providing you any prior notice. You are responsible and liable for any access to your accounts and accounts you are authorized to transact on via Online Deposit and for all transactions on your accounts made through any established user id and password. You will not make, or allow to be made, any passwords available to any non-authorized persons. We will not be liable for non-authorized use of Online Deposit or for any losses that may result. You will notify us immediately if you believe that a user id and/or password have been used without your permission. You have received and understand all of the BECU Business Account Disclosures or Consumer Account Disclosure connected with opening and accessing accounts at BECU and acknowledge that this Agreement is in addition to a signed High-Speed Online Deposits Agreement and Application and any other such agreements and disclosures. You will continue to receive account statements that describe transactions for your accounts including the transactions initiated through Online Deposit. You are responsible to review all statements in a timely manner and report any irregularities to us at once.

You are solely responsible for purchasing, obtaining, installing, operating any and all necessary equipment or software needed to use Online Deposit. You are also responsible for maintaining in good operating condition any equipment or software needed to use Online Deposit, including any mandatory maintenance service programs prescribed by us. We will provide minimum specifications for all equipment or software, and you agree to abide by any system specifications established by us.

You agree to indemnify us for any loss or expense, including attorney fees, which we incur as a result of your breach of the warranties set forth in this Agreement. You also agree to defend, indemnify, and hold us harmless from and against all liability, damage, and loss, including attorney fees and disbursements, arising out of any claims, suits, or demands brought by third parties against us with respect to any original checks, Substitute Checks, Imaged Items, file transmissions, or Image Exchange Items including, without limitation, any errors arising out of keying errors, duplicate payment, claims of fraud, or reject items. You also agree to indemnify, defend, and hold us harmless from and against any and all losses, costs, expenses, fees, claims, damages, liabilities, and causes of actions (including attorney fees) of third parties resulting or arising from:

- a. your failure to abide by or perform any obligation imposed upon you under this Agreement;
- b. your failure to endorse the Item with the required restrictive endorsement "for BECU Online Deposit only" before your signature;
- c. the willful misconduct, fraud, criminal activity, intentional wrongdoing, or negligence of you or any party, involving use of the Online Deposit services;
- d. the actions, omissions, or commissions of you, your employees, consultants, and/or agents relating to the Online Deposit service; and,
- e. any transmission or instruction, whether or not authorized by you in connection with your accounts and Online Deposit that is acted upon by us in good faith.

You agree that the manner (e.g. Substitute Check or Image Exchange Item) in which items are cleared or presented for payment shall be determined by us, in our sole discretion. Our Business Account Agreements or Account Agreements, which is hereby incorporated within the Agreement, contains additional terms and conditions applying to the presentment, collection and return of items.

We reserve the right to select the clearing agents through which we clear items. You agree to be bound by any clearinghouse agreements, operating circulars and image exchange agreements to which we are a party.

You agree that funds from deposited items will be available according to our Funds Availability Policy located in our Business Account Agreements or Account Agreements, all as amended from time to time, which is incorporated herein by reference. For purposes of determining the availability of funds, items deposited via Online Deposit are considered received by us on the day we indicate express acknowledgment of receipt of deposit. You agree that the scanning of checks and any resulting transmission does not constitute receipt by us.

You agree that for the purpose of establishing funds availability, your deposits via Online Deposit are deemed to be received by us at our Tukwila Financial Center, located in Tukwila, WA. Acknowledgment of receipt or delivery does not constitute our acknowledgment that your file transmissions or Image Exchange Items do not contain errors. You agree that we may at any time, in our sole discretion, refuse to accept transmission from you via Online Deposit. In the event that Online Deposit is interrupted or is otherwise unavailable, you may, at your option, deposit checks in any other method available.

## **OUR OBLIGATIONS**

We will process all transactions received during the hours established by us for accepting items deposited through the Online Deposit, except when prevented from doing so due to equipment or electrical failures or any other condition beyond our reasonable control.

BECU's Funds Availability Policy shall apply to all deposits made using the Online Deposit. Imaged Items transmitted before 7:00 p.m. Pacific Standard Time on a business day shall be considered received by BECU on that day. Imaged Items transmitted on a non-business day, or after 7:00 p.m. on a business day shall be considered received by BECU on the following business day. For purposes of establishing funds availability, BECU considers all checks to have been received by BECU at our Tukwila Financial Center when we expressly indicate that the check was received by us. Such indication is not acknowledgment by us that the transmission or the check image is error-free. Please see BECU Funds Availability Policy for more information.

Although you may have transmitted a deposit file to us, the deposit file is considered received by us only when we expressly indicate such receipt. Credit to your account is provisional and you shall indemnify BECU for any loss we may sustain as a result of your Imaged Item, Image Exchange Item, or file transmission. With no liability to BECU, we may reject your file transmission, Imaged Item, Image Exchange Item, or deposit, thus causing the Image Exchange Item be dropped during file transmission, or alterations to occur during or after the file is transmitted.

## **PARTICIPATION CANCELLATION REQUESTS**

The term of this Agreement shall begin when you select the Online Deposit service via Online Banking and shall continue until you notify us otherwise. We may at any time terminate your use of Online Deposit with or without providing you notice. In order to cancel this Agreement and no longer participate in the service, you or any authorized person may do so by:

1. Calling us at 800-233-2328; and/or
2. Writing us at:  
BECU  
Servicing  
P.O. Box 97050  
Seattle, WA 98124-9750

## **PERIODIC STATEMENTS**

All deposits made using the Online Deposit service will appear on your BECU account statement.

## **PROHIBITED USES**

Items drawn on any non-United States Financial Institution are prohibited from inclusion in the Service.

## **EXCLUSIONS OF WARRANTIES**

ONLINE DEPOSIT IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE MAKE NO AND EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING ONLINE DEPOSIT, INCLUDING THE WARRANTY OF TITLE AND THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, WE DISCLAIM ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF ONLINE DEPOSIT (INCLUDING, WITHOUT LIMITATION, THAT IT WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). THERE ARE CERTAIN SECURITY, INFORMATION CORRUPTION, TRANSMISSION ERROR, AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. YOU HEREBY ASSUME ALL SUCH RISKS ASSOCIATED WITH USE OF ONLINE DEPOSIT.

## **PASSWORD AND SECURITY**

You agree not to give or make available your password, which includes personal security codes, authorization codes or other means to access your account, to any unauthorized individuals. You are responsible for all transactions on your account using Online Deposit, or transactions triggered from any use of Online Deposit. If other persons use your password or other means to access your Account, you are responsible for any transactions they authorize.

You understand that by disclosing your Online Banking password to anyone, regardless of whether that person is a joint account holder, you are providing that person authorization to perform transactions on your account(s) through Online Deposit until you revoke

such authority by changing the password or by notifying BECU and obtaining a replacement password. If you fail to maintain security of your password and BECU suffers a loss, we reserve the right to terminate any other services BECU provides to you. If you believe that your password, or other means to access your account has been lost or stolen or that someone may attempt to use the Service without your consent or has transferred money without your permission, you must notify the BECU at 206-439-5700, or outside Seattle, 1-800-233-2328.

#### **ALTERATIONS AND AMENDMENTS**

This Agreement, applicable fees and service charges may be altered or amended by us from time to time. In such event, we may provide notice to you of the change(s) as required by law. Any use of the Service after we provide you a notice of change will constitute your agreement to such change(s). Further, we may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, we reserve the right to terminate this Agreement as to all such prior versions of the applications, services, and/or related material and limit access to only the Service's more recent revisions and updates.

#### **ADDRESS OR BANKING CHANGES**

It is your sole responsibility to ensure that your contact information is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made by contacting us or by way of Online Banking.

#### **DISPUTES**

In the event of a dispute regarding Online Deposit, you agree to resolve the dispute by looking to this Agreement, the BECU Business Account Agreements, Account Agreements and any High-Speed Online Deposits Agreement and Application signed by you. You agree that this Agreement the BECU Business Account Agreements, Account Agreements and any High-Speed Online Deposits Agreement and Application you sign are the complete and exclusive statements of the agreement between you and us relating to Online Deposit. If there is a conflict between what an employee of BECU says and the terms of this Agreement, the terms of this Agreement the BECU Business Account Agreements, Account Agreements and any High-Speed Online Deposits Agreement and Application you sign will prevail.

#### **NO WAIVER**

The Service shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by us. No delay or omission on our part in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

#### **CAPTIONS**

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

#### **ASSIGNMENT**

You may not assign this Agreement to any other party. We may assign this Agreement to any future, directly or indirectly, affiliated company. We may also assign or delegate certain of its rights and responsibilities under this Agreement to independent contractors or other third parties.

#### **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to its conflicts of laws provisions.

#### **LIMITATION OF OUR LIABILITY**

Our total liability in connection with any deposit error arising from your use of Online Deposit shall be limited to a correction of any error arising from our gross negligence or willful misconduct.

OUR MAXIMUM POTENTIAL LIABILITY SHALL, IN ANY EVENT, BE LIMITED TO DIRECT DAMAGES SUSTAINED BY YOU AS A DIRECT RESULT OF OUR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. OUR MAXIMUM AGGREGATE LIABILITY RESULTING FROM ANY SUCH CLAIM SHALL NOT EXCEED THE TOTAL FEES PAID BY YOU FOR ONLINE DEPOSIT SERVICE IN THE SIX MONTH PERIOD PRECEDING THE DATE OF THE CLAIM. IN NO EVENT SHALL WE BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND, INCLUDING LOST PROFITS ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.