

# GENISYS CREDIT UNION

## ELECTRONIC SERVICES AGREEMENT AND DISCLOSURES FOR ONLINE DEPOSIT

Effective: 5-1-16

This Agreement is the contract, which covers your and our rights and responsibilities concerning the Electronic Services offered to you by Genisys Credit Union ("Credit Union"). In this Agreement, the words "you" and "yours" mean those who submit a request for access to an electronic service and any authorized users. In this Agreement the words "we" and "us" and "our" and "ours" mean Genisys Credit Union. The word "account(s)" means any one or more savings, checking and loan accounts you have with the Credit Union.

By making a request for an Online Service, you agree to the following terms governing your and our rights and responsibilities concerning Online Deposit and electronic funds transfers ("EFTs") involving your accounts.

The terms of this Agreement apply to both consumer and business members, except as specifically provided in this Agreement. For consumer accounts, the primary accountholder may enroll in the Electronic Services and is responsible for the acts of any joint accountholder. The joint owner may initiate access to an Electronic Service by providing authentication that will permit enrollment. Anyone enrolling represents that he or she is an accountholder and is authorized to enroll in the Service. Anyone using the Electronic Services represents that he or she has full authority to use the Services and to engage in any action taken by him or her. For business and organizational accounts, the Electronic Services may be established by any authorized user of the account holder. Any joint accountholder or an authorized user, acting alone, may effect transactions through the Electronic Services.

### 1. Online Deposit Service.

**a. Use of the Service.** You agree to comply with the hardware and software requirements set forth in the [System Recommendations](#). Upon receipt of the digital image, the Credit Union will review the image for acceptability. You understand and agree that receipt of an image does not occur until after we notify you of receipt of the image via onscreen messaging and/or email notification. You understand that, in the event you receive notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive. You understand that any amount credited to your Account for items deposited using this service is a provisional credit and you agree to indemnify the Credit Union against any loss we suffer because of our acceptance of the remotely deposited check.

**b. Online Deposit Service.** Online Deposit service allows you to make deposits to your accounts using compatible and supported mobile phones and/or other compatible and supported Mobile Device or Desktop scanner. You must designate a Credit Union savings, checking or loan account as the settlement account to be used for the purposes of settling, in aggregate, the financial transactions requested in connection with the Online Deposit service.

**c. Online Deposit Capture Process.** You will capture checks or drafts ("items") with capture device ("Scanner or Camera") creating an electronic image and you will transmit an electronic file of such electronic images that the Credit Union will deposit to your account. The Credit Union's processing agent shall perform an image quality assessment of captured checks or items and shall convert items meeting the Credit Union's required standards into substitute checks to facilitate the deposit and collection of such items. You agree that the manner in which items (e.g. substitute check, image exchange, ACH) are cleared or presented for payment shall be determined by Credit Union, in its sole discretion. The Credit Union reserves the right to select the clearing agents through which Credit Union clears items. You agree to be bound by any clearinghouse agreements, operating circulars and image exchange agreements to which Credit Union is a party.

In addition, you agree that you will not (1) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology of Service, (2) copy or reproduce all or any part of the technology or Service; or (3) interfere, or attempt to interfere, with the technology or Service.

### d. Your Responsibility for Online Deposit Services.

**i. Funds Availability.** Funds from items deposited through the Online Deposit service will be available according to the Credit Union's Funds Availability Disclosure, as amended from time to time, which is incorporated herein by reference. For the purpose of establishing funds availability, your deposits via Online Deposit session are deemed to be received by the Credit Union at the time the system indicates a successful transaction is completed up to 8:00 pm EST. Deposits received after 8:00 pm EST will be considered deposited on the next business day. The hold period will start at the time of acceptance, either on the date of deposit or by being delayed one business day, if after 8:00pm EST. Acknowledgment of

receipt or delivery does not constitute an acknowledgment by Credit Union that the transmission of a check or items does not contain errors or that funds will be available.

ii. **Deposit Acceptance.** You agree that Credit Union may at any time, in its sole discretion, refuse to accept deposits of checks from you by the Online Deposit service. In the event that the Online Deposit service is interrupted or otherwise unavailable, you may deposit checks in-person at a Credit Union branch, via night drop, by mail or other contractually acceptable method.

iii **Responsibility for Image Capture.** You are solely responsible for capturing deposit items, accessing the service from the Credit Union and for maintaining your image device. You are responsible for the payment of all telecommunications expenses associated with the service. Credit Union shall not be responsible for providing or servicing any image capturing equipment or mobile device of yours.

iv. **Deposit Requirements.** You agree that you will only use the Online Deposit service to deposit checks drawn on financial institutions within the United States. You must deposit checks not falling within this requirement in person, using a night drop facility or by U.S. Mail. You agree that each check you submit for deposit through the Online Deposit service will meet the image quality standards established in American National Standards Institute's standard X9.37. You will not process any third party checks (originally payable to someone other than an account owner or Genisys Credit Union) using the Online Deposit Service.

v. **Deposit Endorsement Requirements.** You agree to endorse your checks with the following information:

For Mobile/Online Deposit Only  
Genisys Credit Union  
Member Endorsement (Your signature)

Failure to endorse your checks in this manner may result in the item being rejected.

vi. **Compliance with Law.** You agree to use the products and service 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.

vii. **Limitations on Frequency and Dollar Amount.** For security reasons, there are daily limits on the dollar amount of checks that can be deposited using Online Deposit. We believe the current amount provides sufficient access for the majority of our members. If you encounter a problem with a specific deposit, please contact (248) 322-9800 ext. 5 for assistance.

viii. **Check Retention & Destruction.** You understand and agree that all deposit items belong to you and not to Credit Union and that those items shall be handled in accordance with this Agreement. After receipt by Credit Union of any transmission by you of imaged items for deposit to your account, Credit Union will acknowledge by electronic means its receipt of such electronic transmission. Your electronic transmission is subject to proof and verification. You shall retain the original of all imaged items that have been deposited via Online Deposit for a reasonable period of time in order to verify settlement and credit or to balance periodic statements, but in no case beyond ninety (90) days from the date processed, and shall properly destroy and dispose of such original checks after such time. During the period that you maintain the original checks, you understand and agree that it must use a high degree of care to protect these original checks against security risks. These risks include, without limitation, (i) theft or reproduction of the original checks (including by employees) for purposes of presentment for deposit of these original checks (i.e., after the original checks have already been presented for deposit via the Online Deposit service) and (ii) unauthorized use of information derived from the original checks. When you destroy and dispose of, the original checks pursuant to the requirements of this Agreement, you understand and agree that you must use a high degree of care when selecting and implementing destruction and disposal procedures. Among other things, these procedures must be designed to ensure that the original checks are not accessed by unauthorized persons during the destruction and disposal process and, once destroyed, the original checks are no longer readable or capable of being reconstructed (e.g., through the use of competent shredding equipment.)

ix. **Financial Responsibility.** You are solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds, associated with accessing the service. The Credit Union shall not be liable in any manner for such risk unless Credit Union fails to follow the procedures described in materials for use of the Online Deposit service. You assume exclusive responsibility for the consequences of any instructions given to the Credit Union, for your failure to access the service properly in a manner prescribed by the Credit Union and for your failure to supply accurate input information.

x. **Account Reconciliation.** You will verify and reconcile any out-of-balance condition, and promptly notify the Credit Union of any errors within the time periods established in the Help File (excluding weekends and applicable holidays) after receipt of the applicable detail report from the Credit Union. If notified within such period, the Credit Union shall correct and resubmit all erroneous files, reports, and other data at the Credit Union's then standard charges, or at no charge, if the erroneous report or other data directly resulted from the Credit Union's error.

**e. Conditions & Limitations of Online Deposit.**

i. **Presentment Prohibitions.** You shall not present, or attempt to present, or allow others, either directly or indirectly, to present, or attempt to present, for deposit by any means (i) any Substitute Check that has already been presented for deposit via Online Deposit or (ii) any original check, the Substitute Check of which has already been presented for deposit via Online Deposit. In the event that you or any third party, presents, or attempts to present, a deposit in violation of this subsection you agree to defend, indemnify, and hold Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to any such Substitute Check or original check. You agree that the aggregate amount of any items which are deposited more than once will be debited from your account, and to the extent funds in your account are insufficient to cover such amount, any balance shall be debited by Credit Union from any other deposit accounts with Credit Union in its sole discretion. You further acknowledge that you and not the Credit Union is responsible for the processing and handling of any original items which are imaged and deposited utilizing the service and you assume all liability to the drawer of any item imaged using the service or liability arising from the Credit Union's printing of any substitute check from those images.

ii. **Your Representations and Warranties.** You make the following warranties and representations with respect to each image or an original check you transmit to us utilizing this service:

- (a) 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;
- (b) The amount, payee, signature(s), and endorsement(s) on the original check are legible, genuine and accurate;
- (c) All Checks scanned through image transport are made payable to you, a joint owner or Genisys Credit Union;
- (d) All signatures on each check are authentic and authorized;
- (e) You will not deposit or otherwise endorse to a third party the original item (the original check) and no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item it has already paid;
- (f) You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of the person entitled to enforce such transmitted item; and
- (g) You will comply with all federal and state laws, and rules and regulations applicable to Online Deposit transactions, including those of the National Automated Clearing House for ACH transactions.

In the event you breach any of these representations or warranties, you agree to defend, indemnify and hold Credit Union and its agents harmless from and against all liability, damages and loss arising out of any claims, suits or demands brought by third parties with respect to any such breach. You further authorize the Credit Union to charge your account for the amount of any such demand, claim or suit that constitutes a breach of warranty claim under the provisions of the Uniform Commercial Code.

**f. Credit Union's Obligations.**

i. **Financial Data.** The Credit Union agrees to transmit all the financial data under its control required to utilize the service selected by Member and to act on appropriate instructions received from Member in connection with such service. The Credit Union shall exercise due care in seeking both to preserve the confidentiality of the user number, password, test key, or other code or identifier and to prevent the use of the service by unauthorized persons (and in this connection it is understood and agreed that implementation by the Credit Union of its normal procedures for maintaining the confidentiality of information relating to its members, and where practicable the obtaining by the Credit Union from any third parties engaged in the installation, maintenance and operation of the system of similar undertakings, shall constitute fulfillment of its obligation to exercise due care) but shall not otherwise be under any liability or have any responsibility of any kind for any loss incurred or damage suffered by Member by reason or in consequence of any unauthorized person gaining access to or otherwise making use of the service. **Member assumes full responsibility for the consequences of any misuse or unauthorized use of or access to the service or disclosure of any confidential information or instructions of Member by Member's employees, agents, or other third parties.**

ii. **Exception Items.** When we review and process your electronic file, we may reject any electronic image that we determine to be ineligible for the service ("Exception Item") including, without limitation, electronic images of items drawn on banks located outside the United States, items drawn on U.S. Banks in foreign currency, electronic images that are

illegible (due to poor image quality or otherwise), electronic images of items previously processed, electronic images previously converted to substitute checks, and electronic images with unreadable MICR information. We will notify you of any Exception Items. You agree that if you wish to attempt to deposit any Exception Item to any account with Credit Union, you shall only do so by depositing the original item. You acknowledge and agree that even if the Credit Union does not initially identify an electronic image as an Exception Item, the substitute check created by us may nevertheless be returned to us because the electronic image is deemed illegible by a paying bank.

**g. Warranties & Disclaimer of Warranties.** By using Online Deposit you are converting an original check to a substitute check. Therefore, you understand and agree that you are responsible, to the extent permitted by law, for all warranties and indemnifications set forth in Check 21 applying to any Reconverting Credit Union and Truncating Credit Union, as such terms are defined by Check 21, including, without limitation, the obligation to only convert an original check that allows for the creation of a substitute check that clearly and accurately represents the information on the front and back of the original check. Credit Union and its agents may, but shall have no obligation, to screen items or Substitute Checks for legal compliance. You agree to defend, indemnify, and hold Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to any such substitute checks.

**2. Electronic Services Conditions.** The use of your Account and Electronic Services are subject to the following conditions:

**a. Security of Password.** Any password that you select is for your security. The password is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your password. You agree not to disclose or otherwise make your password available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your password, you understand that person may use the Online Banking or Mobile Banking service to review all of your account information and make account transactions. Also, you are responsible for all bill payments, transfers or other transactions you authorize using Online or Mobile Banking. If you permit other persons to use your personal computer, Mobile Device and password or other means to access account, you are responsible for any transactions they authorize. Therefore, we are entitled to act on transaction instructions received using your password and you agree that the use of your password will have the same effect as your signature authorizing transactions. For anyone you authorize to use your password in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your password immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your password is changed. If you fail to maintain or change the security of your password and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

**b. Joint Accounts.** If any of the accounts that you register under the Online, Bill Payment or Mobile Banking service is a joint account, you represent that your joint account holder has consented for you to use that account with any Service. We will end your use of any Service if any joint account holder notifies us that (i) they never consented to your use of the Service, (ii) the joint account can no longer be operated on your instructions alone, or (iii) they are withdrawing consent for you to operate the joint account.

**3. Member Liability.** You are solely responsible for all transfers you authorize using any Services under this Agreement. If you permit other persons to use your access code and initiate transactions with this Service, you are responsible for any transactions they authorize or conduct on any of your Accounts.

**a. Liability on Business Accounts.** For business accounts, you understand that any transaction by a business owner, employee, agent representative or anyone you authorize to transact business on your Account or any transaction by an authorized person that exceeds the specific transaction authority you have provided is considered an authorized transaction for which you remain fully responsible. You are responsible for safeguarding your business, financial and personal data, access codes and other information to prevent unauthorized access to or use of your accounts through this Service. If you believe your access code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, contact us immediately. When you give someone your access code, you are authorizing that person to access your deposit accounts using this Service, and you are responsible for all transactions that person performs while using the Service. All transactions that person performs even those transactions you did not intend or want performed are authorized transactions. If you notify us that the person is no longer authorized, then only the transactions that person performs after the time you notify us are considered unauthorized. Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions. For your protection, sign off after every Online or Mobile Banking session and close your browser to ensure confidentiality.

**b. Liability on Consumer Accounts.** For EFT transactions on a consumer deposit account, under this Agreement, you are responsible for all transactions you authorize using Online Deposit services. For consumer accounts, transactions by

family members or friends that you allow on your account are authorized by you. If you permit other persons to use your password, you are responsible for any transactions they authorize or conduct on any of your accounts. However, you must notify us immediately if you believe anyone has used your password and accessed your accounts without your authorization. For EFT transactions, if you notify us within two (2) business days, you can lose no more than \$50 if someone accessed your account without your permission. If you do not notify us within two (2) business days after you learn of the unauthorized use of your account or password, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500.

If your statement shows EFT transactions that you did not make, notify us immediately. If you do not notify us within sixty (60) days after the statement was mailed to you, you may be liable for the full amount of the loss if we can prove that we could have stopped someone from making the unauthorized EFT transactions. If a good reason (such as a hospital stay) kept you from notifying us, we may extend the time period.

If you believe your password has been lost or stolen or that someone has transferred or may transfer funds from your account without your permission, contact us immediately by one of the following:

Telephone	(248)322-9800 ext. 5 or (800)521-8440 ext. 5, if outside 248 area code
In person	At any Genisys Credit Union branch
Mail	Genisys Credit Union, PO Box 436034, Pontiac, MI 48343-6034

**4. Business Days.** Our business days are Monday through Friday. Federal Holidays are not included.

**5. Fees and Charges.** The fees and charges for the electronic services are outlined below. We may change our fee schedule at any time. If we make a change, you will be notified in writing as required by applicable law. There is no fee to use Online Deposits.

**6. Transaction Documentation.** Transactions submitted through Online Deposit services will be recorded on your monthly statement.

**7. Account Information Disclosure.** We will maintain the confidentiality and privacy of your account information in accordance with our Privacy Policy as stated on our website at [www.genisyscu.org](http://www.genisyscu.org). However, we may disclose information to third parties about your account or the transactions you submit in the following limited circumstances:

- i. As necessary to complete transfers;
- ii. To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- iii. To comply with government agencies or court orders;
- iv. When you provide us with written permission.

**8. Credit Union Liability for Electronic Services.**

**a. Consumer Accounts.** If we do not complete a transaction to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. Our sole responsibility for an error in a transaction will be to correct the error and in no case will we be liable for any indirect, special, incidental, or consequential damages. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. The Credit Union will not be liable for the following:

- If, through no fault of ours, you do not have sufficient funds in your account to complete the transaction, your account is inactive, or the transaction would exceed the credit limit on your line of credit, if applicable.
- If you used the wrong account or password, you have not properly followed any applicable service or Credit Union user instructions for making Online Banking or Mobile Banking transactions.
- If your personal computer malfunctioned or the phone lines were not working properly or the Credit Union computer system was not working properly and such problem(s) should have been apparent when you attempted your transaction.
- If circumstances beyond our control (such as fire, flood, telecommunication outages or strikes, equipment or power failure) prevent making the transaction.
- If the funds in your account are subject to an administrative hold, legal process or other claim.
- If you have not given the Credit Union complete, correct and current instructions so the Credit Union can process the transaction.
- If an error was caused by a system beyond the Credit Union's control such as a telecommunications system, an Internet Service Provider, any computer virus or problems related to software not provided by the Credit Union.
- If there are other exceptions as established by the Credit Union.

**b. Business Accounts.** The Credit Union shall have no liability to you, or any other person or entity for any loss, damage, cost, or expense arising out of this Agreement or the Online Deposit Service regardless of the form in which asserted, whether in contract, tort (including negligence), warranty, or any other legal or equitable grounds, and regardless of whether the remedies available fail of their essential purpose, except as provided by applicable law for any error or delay in performing the Electronic Services provided for in this Agreement. We shall have no liability for not completing a transaction, if we receive actual notice or have reason to believe that you have filed for bankruptcy, the ownership of funds involving a transaction or the Authorized Representative's authority to conduct a transaction is in question; we suspect your Account has been used for illegal or fraudulent purposes; or we reasonably believe that a transaction is prohibited by federal law or regulation, or this Agreement. We will not be liable if you fail to report timely any error or discrepancy reflected in a statement prepared by us, or if you fail to report a breach of a security procedure. If we fail to perform under this Agreement in accordance with the standards set herein, our liability for damages, losses, and other compensation owing to you shall be limited to direct damages caused solely by the Credit Union. We shall not be liable for any loss, damage, liability, or claim arising directly or indirectly from any error, delay, or failure to perform hereunder which 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 its control.

**9. Termination of EFT Services.** You agree that we may terminate this Agreement and your Online Deposit services, if you, or any authorized user of EFT services for password breach of this or any other agreement with us; or if we have reason to believe that there has been an unauthorized use of your accounts or password. You or any other party to your account can terminate this Agreement by notifying us in writing.

**10. Amendments.** The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will notify you, at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

**11. Statement Errors on Consumer Accounts.** In case of errors or questions about your Online Deposit, contact us as soon as possible by:

Mail	Genisys Credit Union, PO Box 436034, Pontiac, MI 48343-6034
Telephone	(248)322-9800 ext. 5 or (800)521-8440 ext. 5, if outside 248 area code.
In person	At any Genisys Credit Union branch

We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears.

- Tell us your name and member number.
- Describe the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. If requested, we will provide copies of documents (to the extent possible without violating other members' rights to privacy) relied upon to conclude that the error did not occur.

**12. Enforcement.** You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the state of Michigan as applied to contracts entered into solely

between residents of, and to be performed entirely in, such state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled to, subject to Michigan law, payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.

**13. Regulatory Authority.** These disclosures are required by the state and federal laws governing Electronic Fund Transfers. If you have a question about your rights under these laws or you believe that your legal rights have been violated, you may contact the following agency: State of Michigan, Department of Insurance and Financial Services, P.O. Box 30220, Lansing, MI 48909-7720.