



BUSINESS REMOTE DEPOSIT CAPTURE SERVICES AGREEMENT

This BUSINESS REMOTE DEPOSIT CAPTURE SERVICES AGREEMENT ("RDC Services Agreement") is made and entered this _____ day of _____, 20____ by Virginia Credit Union ("VACU") and _____(the "Business Member").

This is a binding agreement between you and VACU and governs your use of the Business Remote Deposit Capture Services ("RDC Business Services" or "Service(s)") offered by VACU. "You" and "Your" mean each Virginia Credit Union, Inc., business member, including but not limited to multiple party account owner, joint borrower, co-signer or loan guarantor, business or business entity, i.e., corporation, limited liability company ("LLC"), partnership ("Business") or any authorized signer, user or representative of such person or party. This RDC Services Agreement is in addition to the Business Remote Deposit Capture Terms and Conditions (the "RDC Terms") which are incorporated herein by reference. Such RDC Terms are in addition to and do not replace the Business Online Banking Agreement and Electronic Funds Transfer Disclosure, or any other agreements that you have entered into with VACU. If there is a conflict between this RDC Services Agreement and the RDC Terms or other VACU agreements, the conflicting term of this Agreement will govern, as to your use of the RDC Business Services only.

By using the RDC Business Services, you agree to these terms and conditions. VACU may change the RDC Services Agreement from time to time and will notify you of any material change via email or on our website by providing a link to the revised terms. VACU reserves the right to change, modify, add or remove portions of the RDC Business Services or to discontinue them entirely. Your continued use of the RDC Business Services after the implementation of such changes indicates your acceptance of such changes.

1. General.

The RDC Business Services to be provided by VACU to you, consisting of a check scanning device (the "Scanner"), access to a browser based software program, and all related materials and documentation (collectively herein the "Program"), permit you to conduct certain check related activities with VACU electronically. Such Scanner and software are required to enable you to generate electronic images of original checks that comply with applicable standards. This Program, at this time, does not include remote deposit capture using a mobile phone or similar device.

In order to enroll in the RDC Business Services, you must be an authorized representative of the Business owning a VACU Business Checking Account (the "Account(s)") that is eligible for the RDC Business Services, and be approved by VACU. As conditions to Your continuing use of the Program, you shall (a) maintain the Account in good standing, and (b) comply with such restrictions on the Services as we may communicate to you from time to time. VACU reserves the right to approve or deny Your use of the Program.

2. Accounts and Fees.

You will maintain with VACU at least one Business Checking Account for the purpose of providing available funds and for deposit of received funds in connection with the use of the Services. You agree to pay the monthly fees as set forth in the attached Business Remote Deposit Capture Pricing and Support ("Schedule A"). These fees may be changed by us at our discretion at any time upon at least 30 days prior notice to you. In addition to the terms of this Agreement, the Account(s) will be subject to

VACU's Account Agreement. Unless VACU otherwise requires you to maintain collected funds, You agree to maintain sufficient available funds in the Account(s) to support any transaction initiated under the Services and to cover any fees you are obligated to pay under this Agreement. If at any time there are not sufficient collected funds in the Account to cover all outstanding transactions and other payment obligations under this Agreement, You agree to immediately pay VACU, on demand, the amount of any deficiency in such outstanding transactions and obligations. VACU may, without prior notice or demand, obtain payment from you for any of its obligations under this Agreement by debiting any of Your VACU accounts.

3. Processing/Funds Availability.

You shall use the Program to create electronic images of the front and back of checks and other paper items ("Check(s)") that you wish to deposit to your Account, and to transmit those images and information captured from the magnetic ink character recognition (MICR) line in an electronic file (the "File") to us for review and processing. Such Checks shall be deemed received by us for deposit based upon time of receipt as well as acceptable electronic images that are complete, usable and comply with applicable standards. VACU will process, encode, endorse and deposit into the Account, such Checks in accordance with VACU's internal procedures and all state and federal laws during any Business Day, subject to the cutoff time as stated on Schedule A. Business Day is defined as Monday through Friday, excluding observed federal holidays.

If the File is received by the cutoff time on a Business Day, the credit will be posted the same Business Day. If the File is not received by the cutoff time on a Business Day or if the File is sent on a non-business day, the credit will be posted on the next Business Day. Your File is deemed to have been received by VACU when the Program generates a confirmation message.

For the purpose of determining availability of funds, VACU may hold funds for the period of time permitted by VACU's Funds Availability Disclosure. Images that are transmitted for deposit are not subject to the funds availability requirements of Regulation CC.

Deposit information is gathered by VACU to establish processing trends that will be used for the benefit of you and VACU. Based on this information, VACU reserves the right to impose daily limits and availability limits on the amounts and/or number of deposits that can be processed for your Account(s) using the Services and to modify those limits from time to time.

4. Business Continuity/Program Failure.

If circumstances occur where deposits cannot be made through RDC technology, you will physically bring checks to VACU or a VACU-owned ATM for deposit. You will not store or make a back-up copy of the File.

5. Processing of Rejected Entries or Files.

You will be notified if a File or Check is rejected by the Services. If a File or Check is rejected due to improper processing or unexcused delays by VACU, VACU will re-process and re-send the entry. If such File or Check was rejected as a result of improper processing or the supplying of incomplete information by you, you will re-submit the Check or File, or supply VACU with complete information for processing at your expense, and VACU will send such Entry.

6. Chargeback of Returned Checks.

If images of Checks deposited by you are dishonored or otherwise returned unpaid by the drawee bank, or are returned by a clearing agent for any reason, including, but not limited to, issues relating to the quality of the image, you understand and agree that VACU may charge back an image of the Check to your Account. You understand and agree that the image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. VACU may freeze a like amount in your Account during the investigation of a deposit rejected for technical reasons. Unless otherwise instructed by VACU, you agree not to deposit the original Check if an image or other debit as previously described is charged back to you.

7. Entries, Endorsements, Check Retention and Destruction.

You shall be responsible for the accuracy and propriety of all Checks submitted to VACU for processing, as well as responsible for obtaining all required approvals for the processing of the Check from any third parties. You are required to make sure that all checks are properly and completely endorsed before processing them for deposit. You shall be liable for each Check and warrant that it complies with the RDC Terms and applicable law.

You will maintain control over and be responsible for secure retention, storage and destruction of Checks for which you have created an electronic image. Once processing has been completed you should securely retain checks for 30 days or until verified in your next statement. During the retention period and upon our request, you agree to provide us with the original paper item(s). After the retention period and no later than 60 days from processing, you will securely and irretrievably destroy or shred all Checks. You will not redeposit a Check for which credit has been given by VACU unless authorized by VACU to redeposit the Check. Violation of this term is grounds for immediate termination of the RDC Service.

8. Hardware and Software.

You must, and hereby agree to, at your sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of the RDC Business Services and Program, that fulfills your obligation to obtain and maintain secure access to the Internet. You understand and agree you may also incur, and shall pay, any and all expenses related to your use of the Services, including, but not limited to, telephone service or Internet service charges. You are solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Services. You understand and agree that You are solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Services and the cost thereof, and you hereby agree that you will perform, or cause to be performed, all recommended maintenance, repairs, upgrades and replacements, and such performance shall be rendered by properly trained personnel, whether they are your employees or third-party employees. VACU is not responsible for, and you hereby release VACU from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. VACU hereby advises You, and You hereby agree, to scan your computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses.

In connection with your use of the RDC Business Services, You shall only use the check Scanner hardware described in the Scanner Terms and Conditions ("Schedule B" attached hereto) or such other Scanner as approved in advance by VACU. You understand and agree that you are solely responsible for any and all maintenance to the Scanner, subject to the terms and conditions in Schedule B.

All right, title and interest in and to (a) any and all computer programs, including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto and any and all documentation, user guides and instructions pertaining thereto (collectively the "Software"), and (b) any and all users guides, instructions and other documentation (collectively the "Documentation") provided to, or used by, you in connection with the Services shall be, and remain, the property of VACU or its third party Software provider, as applicable. Unless otherwise expressly authorized, you may not copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, reverse engineer, reverse compile or create derivative works of, the Software or Documentation.

9. Use of Scanner and Software.

You will inspect and verify the quality of check images and will confirm that the digitized images are legible for all posting and clearing purposes.

The paper checks will be stamped "ELECTRONICALLY PROCESSED" by you or the Scanner and will remain with you for 30 days or until verified in your next statement before being destroyed.

VACU will retain images of these checks for a period of seven years to support research and settlement requests. Should you need a check researched, VACU will provide the image from its archive during the record retention period.

VACU will provide service and technical support. You are responsible for Network and Internet Connectivity.

10. Security Procedures.

You shall be solely responsible for protecting against unauthorized access to the Scanner and the Software and any and all losses and damages arising from any unauthorized access to the Scanner and the Software. You agree that You will be responsible for maintaining security and control over all user IDs and passwords for the Program. You shall establish physical security, passwords and other security procedures necessary to ensure the confidentiality of access features. You shall make such procedures and security features known only to your authorized representatives who will use the Scanner and the Software. VACU shall have no obligation, liability or control, either directly or indirectly over said procedures or any failure to maintain said procedures. VACU may employ various security and multi-factor authentication technologies including but not limited to user IDs, passwords, tokens and other methods to ensure that you, your employees, or agents are communicating directly with VACU. You shall be solely responsible for designating your authorized representatives and disclosing the identity of said representatives, and all changes thereof, to VACU, provided, however, VACU shall not be responsible for verifying the authenticity of any person claiming to be your representative or the authenticity of any instruction, direction or information provided to any said person. Any instructions, directions or other information provided by you, or your representative, under the Services shall be deemed to have been authorized by you, and VACU shall be indemnified and held harmless by you for acting upon any such direction, instruction or information.

You agree to notify VACU IMMEDIATELY if You become aware of any loss or theft of, or any unauthorized use of the Program or your security credentials. You understand and acknowledge that the Checks and File data are owned by You and include sensitive personally identifiable information. In the event of any security breach incident involving potential or actual unauthorized access or acquisition of data owned by you (e.g. insider misuse, computer hacking, virus attack or theft of Checks) it is Your responsibility to determine whether You have the obligation, under applicable law, to notify potentially affected individuals whose sensitive information may have been compromised by the incident. Any related loss or damage shall be Your sole responsibility.

11. Financial Information and Audit.

VACU may from time to time request information from you in order to evaluate a continuation of the RDC Business Services to be provided by VACU hereunder and/or adjustment of any limits set by this Agreement. You agree to provide the requested financial information immediately upon request by VACU, in the form required by VACU. You authorize VACU to investigate or reinvestigate at any time any information provided by you in connection with this Agreement or the Services and to request reports from credit bureaus and reporting agencies for such purpose. Upon request by VACU, you hereby authorize VACU to enter your business premises for the purpose of ensuring that you are in compliance with this Agreement and you specifically authorize VACU to perform an audit of your operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. You hereby acknowledge and agree that VACU shall have the right but no obligation to mandate specific internal controls at your location(s) and you shall comply with any such mandate. In addition, you hereby agree to allow VACU to review available reports of independent audits performed at your location related to information technology, the Services and any associated operational processes. You agree that if requested by VACU, you will complete a self-assessment of your operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed in an audit by VACU. You understand and agree that VACU, in its sole discretion, for any reason may terminate the Services according to the provisions hereof including but not limited to the failure to provide VACU information and/or assistance required by this section.

12. DISCLAIMER OF WARRANTY.

NO WARRANTIES WITH RESPECT TO THE SCANNER AND THE SOFTWARE ARE MADE BY VACU NOR DOES VACU WARRANT THAT THE SCANNER AND THE SOFTWARE WILL MEET YOUR SPECIFIC REQUIREMENTS. VACU MAKES NO WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE USE OF THE SCANNER AND/OR THE SOFTWARE. VACU DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF YOUR ABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

13. Indemnification.

All disputes between You and any third party relating to payment of any debit/credit transaction processed using RDC Business Services shall be settled between You and the third party. You agree to indemnify and hold VACU and its processors harmless from any claim, liability, loss, or expenditure relating to any such transaction or from Your breach of any of your obligations under this Agreement. VACU retains the right to offset Your account for amounts VACU is damaged by your actions.

You will defend, indemnify and hold harmless VACU and its processors against and in respect to any and all losses, liabilities, expenses and damages, including consequential, special and punitive damages, directly or indirectly resulting from: (i) the processing of any request received by VACU under the RDC Business Services; (ii) any breach of the provisions of this Agreement or the RDC Terms; (iii) any dispute between You and any third party in connection with the use of the Service; (iv) any breach of your representations for any transaction submitted by You described in this Agreement; (v) any loss or expenditure which results from any transaction submitted by You caused by the third party's inability to fund the transaction; and (vi) any and all actions, suits, proceedings, claims, demands, judgments, costs and expenses (including attorney's fees) incident to the foregoing. The terms of this Section shall survive termination of this Agreement.

14. Limitations of Liability.

IN NO EVENT SHALL VACU BE LIABLE TO YOU FOR ANY DAMAGES, INCLUDING LOST PROFITS, LOST SAVINGS OR OTHER DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE PROGRAM AND DOCUMENTATION, OR FOR ANY CLAIM BY ANOTHER PARTY. VACU'S DUTIES AND RESPONSIBILITIES IN CONNECTION WITH ACH TRANSACTIONS AND CHECK 21 TRANSACTIONS ARE LIMITED TO THOSE DESCRIBED IN THIS AGREEMENT. VACU WILL BE DEEMED TO HAVE EXERCISED ORDINARY CARE AND TO HAVE ACTED REASONABLY IF VACU HAS ACTED IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT AND WILL BE LIABLE FOR LOSS SUSTAINED BY YOU ONLY TO THE EXTENT SUCH LOSS IS CAUSED BY VACU'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. VACU WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, REGARDLESS OF VACU'S ACT OR OMISSION. VACU WILL HAVE NO LIABILITY FOR ANY LOSS OR DAMAGE: (A) RELATED TO THE DISHONESTY OF YOUR EMPLOYEES, OFFICERS OR AGENTS; (B) RESULTING FROM ANY RECEIVING FINANCIAL INSTITUTION'S FAILURE TO ACCEPT ANY ACH TRANSACTIONS OR CHECK 21 TRANSACTIONS; OR (C) RESULTING FROM ANY DELAY IN THE PERFORMANCE OF THIS AGREEMENT, WHICH IS CAUSED BY AN ACT OF GOD, FIRE OR OTHER CASUALTY, ELECTRICAL OR COMPUTER FAILURE, DELAYS OR FAILURE TO ACT BY ANY CARRIER, MEDIUM OR AGENT OPERATING BETWEEN VACU AND YOU OR BETWEEN VACU AND THIRD PARTIES OR ANY OTHER CONDITION OUTSIDE THE VACU'S CONTROL. NO THIRD PARTY WILL HAVE RIGHTS OR CLAIMS AGAINST VACU UNDER THIS AGREEMENT. THE TERMS OF THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

15. Termination.

This Agreement shall remain in full force and effect from the date hereof until such time as this Agreement is terminated by either party as hereinafter provided:

- (a) this Agreement may be terminated at any time by either party following ten (10) days prior written notice;

(b) either party shall have the right to terminate this Agreement immediately by giving written notice to the other if such other party: (i) ceases to conduct its business in the ordinary sense, (ii) has any substantial part of its property become subject to any levy, seizure, assignment or application for sale for, or by, any creditor or government agency, (iii) is a party to an acquisition or (iv) in the reasonable judgment of the party seeking termination, experiences an adverse change in its financial condition or business which impairs the ability of such party to perform its obligations under this Agreement, (v) fails to perform its obligations under this Agreement or defaults under any other agreement between the parties or (vi) makes any warranty or representation which proves to be false or misleading.

Notwithstanding the foregoing, VACU may immediately terminate this Agreement without notice if, in VACU's sole discretion, VACU determines that You have created unacceptable risk, abused or misused the RDC Business Services or VACU believes that it may suffer a loss or other damage if the Agreement is not terminated.

VACU's election to terminate this Agreement is in addition to any and all other remedies that may be available to VACU and will not affect any obligations you may have to VACU. Any reinstatement of the RDC Business Services under this Agreement will be at VACU's sole discretion and must be agreed upon in writing by an authorized representative of VACU.

Upon termination of this Agreement, any property or rights of a party in the possession of the other party, tangible or intangible, shall be returned to owner thereof within thirty (30) days after the later to occur of (i) termination of the Agreement or (ii) the last date that such party receives any such property or rights.

Upon termination of this Agreement, (i) you will promptly pay to VACU all sums due or to become due under this Agreement, (ii) you shall have no further right to make use of the RDC Business Services or any system or software which may have been provided in connection with the Service.

16. Signatures.

By signing this Agreement, you acknowledge that you have read and accepted the terms and conditions of this Agreement, and agree to be bound by its terms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through their duly authorized officers.

Virginia Credit Union, Inc.

BUSINESS MEMBER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____



Schedule A

BUSINESS REMOTE DEPOSIT CAPTURE PRICING AND SUPPORT

Monthly Fees:

If you are enrolled in the Service for any portion of a month, the full monthly fee will apply.

RDC Service Fee: \$60.00

Per Transaction Fee: \$0.10/item (after first 500 RDC transactions.)

Scanner Fee: \$50.00 (or you may purchase a compatible scanner from a third party vendor – See Schedule B Scanner Terms and Conditions)

Minimum Fee: N/A

Other Fees: N/A

Transaction Processing and Standard Service Messages: The Remote Deposit Capture Service will be available seven (7) days a week from 7:00 AM to 10:00 PM ET.

Cutoff Time (for current “Business Day” posting): 12:00 Noon ET

** If not received by the cutoff time on a Business Day or if the file is sent on a non-business day, the credit will post on the next Business Day.*

Support: Support will be available from 8:00 AM to 5:00 PM ET Monday through Friday, excluding standard US banking holidays published by the US Federal Reserve System (“Business Days”).

For Support call 804-839-0933



Schedule B

SCANNER TERMS AND CONDITIONS

Scanner(s) Description. The recommended check Scanner is the Digital Check TellerScan 240 (model TS240-50-IJF). A current list of compatible check Scanners is available upon request if You wish to purchase this hardware from a third party vendor.

Scanner(s) Usage. If the Scanner(s) is provided by VACU as part of this Service, VACU hereby grants permission to use the Scanner(s) only in connection with the Service provided by VACU. You accept the terms and conditions set forth in the following sections.

(i) **OWNERSHIP OF SCANNER(S).** You acknowledge the Scanner(s) is and shall at all times remain the sole and exclusive property of VACU and agree that you will do nothing inconsistent with such ownership. You agree that nothing in this Agreement shall give you any right, title or interest in the Scanner(s) other than the right to use the Scanner(s) in accordance with this Agreement, and you agree that it will not attack the validity of this Agreement.

(ii) **USE.** You shall use the Scanner(s) in a careful and proper manner in accordance with the Documentation and shall comply with and conform to all federal, state, municipal, and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Scanner(s). If at any time during the term hereof, VACU supplies you with labels, plates or other markings, stating that the Scanner(s) is owned by VACU, you shall affix and keep them upon a prominent place on the Scanner(s). You shall limit the use of the Scanner(s) to the processing of transactions with VACU and may not use the Scanner(s) to facilitate processing transactions with any other person without the prior express written authorization of VACU.

(iii) **RECEIPT OF SCANNER(S).** You agree that VACU will deliver or ship the Scanner(s) to you at the address designated by you. You acknowledge that delivery or shipment to the address designated by you shall be considered receipt of the Scanner(s).

(iv) **INSPECTION.** You shall inspect the Scanner(s) within 24 hours after receipt thereof. Unless you, within this period of time, give written notice to VACU specifying any defect in or other proper objection to the Scanner(s), you agree that it shall be conclusively presumed that you have fully inspected and acknowledged that the Scanner(s) is in good condition and repair, and that you are satisfied with and have accepted the Scanner(s) in such good condition and repair. VACU shall at any and all times during business hours have the right to enter into and upon the premises where the Scanner(s) may be located for the purpose of inspecting the same or observing its use. You shall give VACU immediate notice of any attachment or other judicial process affecting Scanner(s) and shall, whenever requested by VACU, advise VACU of the exact location of the Scanner(s).

(v) **MAINTENANCE.** You shall maintain the Scanner(s) in working order by following the instructions for proper use, care and cleaning of the Scanner(s). In the event that the Scanner(s) does not function in accordance with the manufacture's specifications, VACU shall either repair or replace the Scanner(s) within three (3) business days from the date of receipt of notification from you. VACU shall not repair or replace the Scanner(s) if it is lost or damaged or because of misuse, negligence or failure to follow instructions for proper use, care and cleaning of the Scanner(s).

(vi) **SURRENDER OF SCANNER(S).** Within thirty (30) calendar days of the termination of this service, with respect to the Scanner(s), you shall return the Scanner(s) to VACU in good repair, condition and working order (ordinary wear and tear resulting from proper use thereof alone excepted), or you shall pay VACU a total of \$800.

(vii) **LOCATION OF SCANNER(S).** Without the written permission of VACU, you will not permit the Scanner(s) to be removed from your business addresses and you shall not physically locate the Scanner(s) outside of the United States.

You must notify VACU if the scanner(s) moves from the location(s) assigned below:

Scanner #	Physical Location (address, city, state and zip)
1	
2	
3	
4	
5	

(viii) **PERSONAL PROPERTY.** The Scanner(s) is, and shall at all times remain, personal property notwithstanding that the Scanner(s) or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building thereon, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise.

(ix) **ENCUMBRANCES.** You shall not do any act that will in any way encumber the title of VACU in and to the Scanner(s). In the event the Scanner(s) becomes the subject of any lien or encumbrance through your action, you shall indemnify and hold harmless VACU from all costs, losses or expenses with respect thereto, and you shall immediately pay any such lien and obtain a release thereof.

(x) **VACU'S EXPENSES.** You shall pay VACU all costs and expenses, including reasonable attorney fees, incurred by VACU in exercising any of its rights or remedies hereunder or in enforcing any of the terms, conditions or provisions hereof.