

eMobile Deposit Agreement

Deposits made through eMobile Banking:

Deposits made through eMobile Banking will be charged a fee of \$1.00 per item deposited.

Deposits are subject to all limitations and terms set forth in your deposit agreement, as it may be modified from time to time, including without limitation, those terms related to deposit acceptance, crediting, collection, endorsement, processing order, and errors. When you take a picture of and transmit checks using eMobile Deposit, you agree to take a picture of and transmit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC") as disclosed to you.

Check images:

You agree that the image of the check transmitted to the Bank shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code. You agree that you will **not** use eMobile Deposit to photograph and deposit any checks or other items as shown below:

- a. Checks or items payable to any person or entity other than you.
- b. Checks or items containing alteration(s) to any of the fields on the front of the check or item (including the MICR line), or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn.
- c. Checks or items previously converted to a substitute check, as defined in Reg CC.
- d. Checks or items drawn on a financial institution located outside the United States.
- e. Checks or items that are remotely created checks, as defined in Reg CC.
- f. Checks or items not payable in United States currency.
- g. Checks or items issued by a US federal agency, such as the Treasury Department.
- h. Money orders, savings bonds or traveler's checks.
- i. Checks must be dated less than six months from the deposit date to be deposited.
- j. Checks or items not acceptable under the terms of your deposit agreement.
- k. Checks payable on sight or payable through drafts, as defined in Reg. CC.
- l. Checks with any endorsement on the back, other than a restrictive endorsement of **"For mobile deposit only, account # _____ and the signature(s) of the payee(s)"**.

Nothing in this Addendum should be construed as requiring the Bank to accept any check or item for deposit, even if the Bank has accepted that type of check or item previously. The Bank shall NOT be required to identify or reject any checks or items that you may transmit and deposit that fail to meet the requirements of this Addendum.

Image Quality:

The image of a check or item transmitted to the Bank using eMobile Deposit must be legible. The image quality of the checks and items must comply with the standards established from time to time by the American National Standards Institute, or any higher standard set by the Bank, and with any requirements set by any clearing house used by the Bank or agreement the Bank has with respect to processing checks or items. You agree that the Bank shall not be liable for any damages resulting from a check or item's poor image quality, including those related to rejection of or the delayed or improper crediting of such a check or item, or from any inaccurate information you supply regarding the check or item.

Endorsements and Procedures:

Before transmission, you will need to restrictively endorse any check or item transmitted through eMobile Deposit as **"For mobile deposit only, account # _____ and the signature(s) of the payee(s)"**. You agree to follow any and all other procedures and instructions for use of eMobile Deposit as the Bank may establish from time to time. You agree to supply any information in your possession that the Bank requests regarding a check or item deposited or attempted to be deposited through eMobile Deposit.

Receipt of Checks and Items; Crediting:

The Bank reserves the right to reject any check or item transmitted through eMobile Deposit, at its discretion, without liability to you. The Bank is not responsible for checks or items the Bank does not receive in accordance with this Addendum or for images that are dropped or damaged during transmission. An image of a check or item shall be deemed received when you receive a confirmation from the Bank that the Bank has received the image. Receipt of such confirmation does not mean that the transmission was error free, complete, or will be considered a deposit and credited to your account. The Bank reserves the right to charge back to your account at any time, any item subsequently determined to be an ineligible item. You agree that the Bank is not liable for any loss, costs, or fees you may incur as a result of our chargeback of an ineligible item. As provided in the relevant deposit agreement governing your deposit account and subject to the Bank's Funds Availability Disclosure, deposits received and accepted before a particular time of the day (the "Cutoff Time") on a Business Day are credited on the same day and deposits received and accepted after the Cutoff Time on a Business Day are credited on the next Business Day. The Bank may establish earlier or later Cutoff Times for checks and items deposited via eMobile Deposit, and may credit your connected deposit account for such checks and items even if received and accepted after the applicable Cutoff Time specified in the relevant deposit account agreement governing your deposit account. In the event that the Bank establishes later Cutoff Times for checks and items deposited via eMobile Deposit, the Bank reserves the right to change the Cutoff Times at any time as permitted by law. Regardless of whether the Bank establishes a later Cutoff Times for checks and items deposited via eMobile Deposit, you understand and agree that checks and items must be received and accepted by the Bank before the applicable Cutoff Time and must not be incomplete, illegible or erroneous to be eligible for same-day crediting. See the Bank's Funds Availability Policy for details on Cutoff Times. Provisional credit (memo-credit) will not be granted for deposits made through eMobile Deposit. This means you will not be able to draw cash against deposits made through eMobile Deposit until the deposit has been posted to your account. Deposits made through the service are posted during our nightly processing. You enter the amount of the check as a deposit when made through eMobile Deposit. If the Bank determines that the check is for a different amount than you entered, the Bank may adjust the check amount and notify you of the adjustment. At all times, the check will be deposited for the amount read by the Bank.

Availability of Funds:

The Bank will make funds available for checks and items received, accepted, and successfully processed through eMobile Deposit according to the Bank's standard funds availability policy for your deposit account connected to eMobile Deposit, subject to terms regarding Cutoff Times above.

Disposal of Transmitted Checks and Items:

After a check or item has posted to your account, you agree to prominently mark the check or item as "Electronically Presented." You agree never to re-present to the Bank or any other party a check or item that has been deposited through eMobile Deposit unless the Bank notifies you that the check or item will not be accepted for deposit through eMobile Deposit. You will promptly provide any check or item, or a sufficient copy of the front and back of the check or item, to the Bank as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check or item, or for the Bank's audit purposes. To ensure that such checks and items are not re-presented for payment, you agree to destroy or otherwise properly dispose of checks and items that have been accepted for deposit through eMobile Deposit, after you have confirmed on your statement that the checks have cleared. Prior to disposal or destruction, you agree to safeguard such checks and items.

Deposit Limits:

The Bank reserves the right to impose limits on the amount(s) and/or number of deposits (over a period of time set by the Bank) that you transmit using eMobile Deposit and to modify such limits from time to time. Current consumer limits for eMobile Deposit are 5 items (or checks) deposited per day, one check at a time, and up to \$2,500 per day. Through eMobile Deposit, you may deposit 25 items per month for a maximum dollar amount of \$5,000. Current business limits for eMobile Deposit are 10 items (or checks) deposited per day, one check at a time, and up to \$5,000 per day. Through eMobile Deposit, you may deposit 50 items per month for a maximum dollar amount of \$25,000.

Presentment:

The manner in which the checks and items are cleared, presented (or re-presented) for payment, and collected shall be in the Bank's sole discretion as set forth in the relevant deposit account agreement governing your deposit account.

Promises You Make to the Bank; Indemnity:

You warrant to the Bank that:

- a. You will only transmit eligible checks and items that you are entitled to enforce, and all checks and items will include all signatures required for their negotiation.
- b. Images will meet the Bank's image quality standards in effect from time to time.
- c. You will not transmit an image or images of the same check or item to the Bank more than once and will not deposit or negotiate, or seek to deposit or negotiate, such check or item with any other party.
- d. You will not deposit or re-present the original check or item with the Bank or any other party, nor will you present a check to the Bank which has been deposited with another party or through another system.
- e. All information you provide to the Bank is accurate and true, including that all images transmitted to the Bank accurately reflect the front and back of the check or item at the time it was imaged.
- f. You will comply with this agreement and all applicable rules, laws and regulations.
- g. You will use eMobile Deposit and Mobile Banking only for your own deposits and will not allow the use of eMobile Deposit by way of a service bureau business, timesharing, or otherwise disclose or allow use of Mobile Banking or eMobile Deposit by or for the benefit of any third party.
- h. By your utilization of the Bank's Mobile Banking application, you acknowledge that the third party service provider of the application may have access to the nonpublic personal information transmitted by you through the application and the Mobile Banking Service.

eMobile Deposit may be made available to certain customers of The Bank of Elk River, to be determined by the Bank, at its sole discretion.

You agree to indemnify and hold harmless the Bank from any loss for breach of this warranty provision or the terms of this Addendum. You agree that you are solely liable and responsible for all damages, losses, expenses, and claims arising from, without limitation, any of the following: (i) duplication of images of deposited checks using eMobile Deposit; (ii) alteration of images of deposited checks; (iii) deposit of checks on accounts with insufficient funds, counterfeit checks, fraudulent checks, or checks bearing unauthorized or forged endorsements; (iv) acts of fraud, negligence, or willful misconduct committed by your employees or agents in depositing checks using eMobile Deposit; (v) failure of your hardware or software; or (vi) failure to properly store original checks once the image has been transmitted as stated in the paragraph entitled Disposal of Transmitted Checks and Items.