

Carmine State Bank
Mobile Deposit Terms and Conditions

This Agreement contains the terms and conditions that govern the use of Mobile Deposit provided to you by Carmine State Bank. By accepting the Terms and Conditions you acknowledge and agree to abide by the rules and requirements for use of Mobile Deposit and other relevant Agreements including, but not limited to Carmine State Bank Account Agreements. In this Disclosure and Agreement, the terms “we,” “us” and “our” refer to Carmine State Bank. “You” “your” and “my” refer to the consumer that applied for and/or uses any of the Mobile Deposit Services (the “Services”), provided by Carmine State Bank as described in this Disclosure and Agreement. My use of the Services constitutes my acceptance of the terms and conditions of this Disclosure and Agreement. We will notify you of any material changes to the terms of conditions of this Disclosure and Agreement.

1. Description

The remote deposit capture service ("Mobile Deposit" or "Service") is designed to allow you to make deposits to your checking, money market checking or savings accounts from your camera-enabled mobile device capable of capturing check images and information and electronically delivering the items and associated deposit information to us or our designated processor. The device must capture an image of the front and back of each check to be deposited; must read and capture the magnetic ink character recognition ("MICR") line on each check; and must read and capture all such other data and information as is required by this Agreement or Federal Reserve regulations for the processing of these checks for payment.

2. Hardware and Software Requirements

You must have a Mobile Device that is acceptable to us and a wireless plan from a compatible mobile wireless provider. You must also use the operating system(s) and software that satisfies all technical specifications and other requirements that we and/or our service provider(s) establish and specify. We and/or our service provider(s) may change these specifications and/or requirements from time to time. We are not responsible for any third-party software you may need to use the Service. You agree that you will perform, or cause to be performed by properly trained personnel, all vendor recommended maintenance, repairs, upgrades and replacements. Unless otherwise provided in this Agreement, you are solely responsible, at your own expense, for purchasing, installing, operating, testing and maintaining all hardware and software necessary to use the Service. We are not responsible for, and you release us from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using the Service, e-mail or the Internet. You agree that all images and files transmitted to us through the Service will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

3. Receipt of Items

We reserve the right to reject any item transmitted through the Service, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from us that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.

4. Availability of Funds

If an image of an item you transmit through the Service is received and accepted before 1:00 PM on a business day that we are open, we consider that day to be the day of your deposit. For the purpose of determining availability of funds, the Bank may hold funds

for the period of time permitted by Bank's funds availability disclosure. We may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant. If a hold is placed or there is a delay in availability of funds, you will be notified.

5. Deposit Limits

We reserve the right to establish and assign to you deposit limits for the Service (including limits on the total dollar amount deposited per day and a per item dollar amount limit) and to modify such limits from time to time in our sole discretion, and you agree to comply with all such limits.

6. Fees and Charges

We offer the benefits and convenience of the Service to you free. We reserve the right to charge fees for the Service in the future.

7. Eligible items

You agree to scan and deposit only "checks" as that term is defined in Federal Reserve Regulation CC ("Reg. CC"). When the image of the check transmitted to us is converted to an Image Replacement Document for subsequent presentment and collection, it shall thereafter be deemed an "item" within the meaning of Articles 3 and 4 of the Uniform Commercial Code.

8. You agree that you will not scan and deposit any of the following types of checks or other items which shall be considered ineligible items:

- (a) Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into
- (b) Checks containing an alteration on the front of the check or item, 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 is drawn
- (c) Checks payable jointly, unless deposited into an account in the name of all payees.
- (d) Checks previously converted to a substitute check, as defined in Reg. CC.
- (e) Checks drawn on a financial institution located outside the United States.
- (f) Checks that are remotely created checks, as defined in Reg. CC.
- (g) Checks not payable in United States currency.
- (h) Checks dated more than 6 months prior to the date of deposit.
- (i) Checks post-dated (written for a date in the future)
- (j) Checks or items prohibited by our current procedures relating to the Services or which are otherwise not acceptable under the terms of your account.
- (k) Checks payable on sight or payable through Drafts, as defined in Reg. CC.
- (l) Checks with any endorsement on the back other than that specified in this agreement.
- (m) Checks that have previously been submitted through the Service or through a remote deposit capture service offered at any other financial institution.
- (n) Checks or items that are drawn on or otherwise issued by the U.S. Treasury Department
- (o) US Savings Bonds

9. Endorsements and Procedures

You agree to endorse any items transmitted through the Service by (1) be signed by the required payee and (2) restrictively endorse by writing " MOBILE DEPOSIT CARMINE STATE BANK" or as otherwise instructed by us. You agree to follow any and all other procedures and instructions for use of the Service as we may establish from time to time. Endorsements must be made on the back of the check within 1½ inches from the top edge, although we may accept endorsements outside this space. Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility. For a check payable to you and any joint owner(s) of your account, the check must be endorsed by all such payees and you may only use Mobile Deposit to deposit such check into an account jointly owned by all such payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and any non-joint owner, you may not deposit the check into your account using the Service. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to us as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for our audit purposes.

10. Check Requirements (including image quality)

The image of an item transmitted to us using the Service must be legible and contain images of the front and back of the check. The image quality of the items must comply with the requirements established from time to time by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association. These requirements include, but are not limited to, ensuring the following information can clearly be read and understood by sight review of the check image: the amount of the check (both written and numeric); the payee; the signature of the drawer (maker); the date; the check number; the information identifying the drawer and the paying financial institution that is preprinted on the check including the MICR line; and all other information placed on the check prior to the time of an image of the check is captured (such as any required identification written on the front of the check and any endorsements applied to the back of the check).

11. Storage, Security and Destruction/Disposal of the Checks

After you receive confirmation that we have received an image, you agree to mark the check "Deposited" across the front. You must securely store the original check for 14 days after transmission to us and make the original check accessible to us at our request. Upon our request from time to time, you will deliver to us within two Business Days, at your expense, the requested original check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after the 14 day retention period expires, you must destroy the original check by first marking it "VOID" and then destroying it by cross-cut shredding or another commercially acceptable means of destruction. After destruction of the original check, the image will be the sole evidence of the original check. You agree that you will never re-present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

12. Presenting Checks More Than Once

Once you have used the Service to deposit a check you agree not to present, or allow anyone else to present, that original check or a substitute check of that original check again for deposit through the Service or by any other means. If you or anyone else presents a check or substitute check for deposit more than once, in violation of this Agreement, you agree to indemnify, defend and hold us harmless from and against all liability and damages that may result from any claims, suits or demands from third parties with respect to such check or substitute check. You agree that we may debit from

your Bank account the aggregate amount of any checks that that are deposited more than once. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any other of your account(s) with us in our sole discretion.

13. Authentication Method

You agree that we are entitled to act upon instructions we receive with respect to the Service under your user ID, password, or other code or authentication method that we may require (these components are referred to herein collectively as your "Authentication Method"). You are liable for all transactions made or authorized with the use of your Authentication Method. We have no responsibility for establishing the identity of any person who uses your Authentication Method. You agree that if you give any component of your Authentication Method to anyone or fail to safeguard its secrecy, you will be in violation of your obligations under your Deposit Account Agreement and this Agreement. You agree to take appropriate steps to ensure that all components of your Authentication Method are protected and kept confidential. You agree to indemnify and release us from any and all liability, and agree not to make any claim or bring any action against us, relating to our honoring or allowing any actions or transactions that are conducted under your Authentication Method or acting upon instructions, messages or authorizations provided to us using your Authentication Method. By accessing the Service with your Authentication Method, you authorize us to complete the requested transaction(s) through the Service. Any requests or instructions we receive from you through the Service using your Authentication Method shall be considered "in writing" under all applicable law and shall have the same force and legal effect as a writing signed by you. This includes, but is not limited to, inquiries, deposit transactions, checks deposited, check images, changes to accounts or services or any other communication you provide us through the Service using your Authentication Method.

14. Rejection of Deposits

After we receive check images and all other required deposit information from you through the Service, we shall provisionally credit your designated account for the total amount of such checks. The provisional credit is subject to final payment of the checks and is also subject to your Deposit Account Agreement. You agree that all deposits received by us are subject to verification and final inspection and may be rejected by us in our sole discretion, and you shall be liable to us for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against us relating to such deposits. We are not liable for any service or late charges that may be imposed against you due to our rejection of any Check that you transmit for deposit through the Service. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your account due to a check being returned. You acknowledge and agree that, while we normally provide notice of rejected deposits, we may reject any check transmitted through the Service in our sole discretion without notice to you, and we will not be liable for any such rejection or failure to notify you of such rejection. If we reject a check for remote deposit, you must physically deposit the original check.

15. Unpaid Checks

You are solely responsible for verifying that checks that you deposit by using the Service have been received and accepted for deposit by us. We will provide you with notice of any deposits that we were unable to process because checks were returned unpaid by the payor financial institution. In the event that we credited your account for a check that is subsequently dishonored and returned, you authorize us to debit the amount of such check plus any associated fees from the account. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any of your other account(s) with us in our sole discretion. Our right to charge your

account(s) will apply without regard to whether the check was timely returned or whether there is any other claim or defense that the check was improperly returned. You understand and agree that since the original check is your property, it will not be returned and we may charge back an image of the check, an ACH debit, or other electronic or paper debit, as applicable, to your account. You further agree that any image that we charge back may be in the form of an electronic or paper reproduction of the original check or a substitute check. You may not use the Service to deposit a substitute check and you may not deposit the original check through the Service or in any other manner if you receive a dishonored check. You agree to comply with any additional instructions we may provide to you in connection with returned checks.

16. Duty to Report Errors

We will provide you with periodic statements that will identify the deposits that you make through the Service. In addition, you may access our Internet Banking service for information about your deposits, return items, deposit adjustments, checks and other transactions on your accounts. You agree that it is your responsibility to review all such information that we make available to you in a timely manner to verify that deposits made through the Service have been received and accepted by us and are accurate. Receipt of a check by us through the Service does not constitute an acknowledgement by us that the check is error-free or that we will be liable for the check. You agree to notify us promptly of any errors, omissions, or discrepancies in a deposit within the time periods established in your Deposit Account Agreement. You agree to cooperate in any investigation by us of any unsuccessful or lost transmission. Subject to applicable law, any failure by you to notify us of any error, omission or other discrepancy in accordance with this Agreement and your Deposit Account Agreement shall relieve us of any liability for such error, omission or discrepancy.

17. Availability of Service/Contingency

In the event you are unable to capture, balance, process, produce or transmit a Mobile Deposit to the us, or otherwise comply with the terms or the Procedures for any reason, including but not limited to, communications, equipment or software outages, interruptions or failures, you may make the deposit in a manner consistent with other methods for making deposits provided by the Bank until such time that the outage, interruption or failure is identified and resolved. The deposit of original checks through these other methods shall be governed by the terms and conditions of the Deposit Account Agreement and not by the terms of this Agreement. You hereby acknowledge and agree that Bank shall not be liable to you for any loss or damage of any nature sustained by you as the result of your inability to use the Mobile Deposit Service.

18. Data Security

You agree to secure your mobile device, i.e. antivirus protection, remotely wiping the device if lost or stolen, contacting the bank if device is lost or stolen, not to store passwords on the device, use anti-malware software, encrypt personal data. You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted, in our reasonable judgment, we may audit and monitor you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

19. Cooperation with Investigations

You agree to cooperate with us in the investigation of unusual transactions, poor quality transmissions, and resolution of customer claims, including by providing, upon request and without further cost, any originals or copies of items deposited through the Service in your possession and your records relating to such items and transmissions.

20. LIABILITY AND INDEMNITY

Bank's responsibility and liability to Customer for any liabilities, claims, losses, costs, expenses (including attorney's fees and costs) or damages of any kind, including without limitation direct or indirect, special, incidental, consequential and punitive damages, arising in connection with any aspect of Mobile Deposit, including but not limited to the use or the inability to use any Mobile Deposit feature, or any failure, error, omission, interruption, defect, delay in operation or transmission, computer viruses or malware, or any line or system failure related to Mobile Deposit, are strictly limited to those expressly provided by applicable law. CUSTOMER AGREES TO HOLD HARMLESS, DEFEND AND INDEMNIFY the bank, ITS OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, AND ALL PERSONS IN PRIVITY WITH IT FROM AND AGAINST ANY LIABILITIES, CLAIMS, LOSSES, COSTS, EXPENSES (INCLUDING ATTORNEY'S FEES AND COSTS) OR DAMAGES OF ANY KIND, INCLUDING WITHOUT LIMITATION DIRECT OR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL AND PUNITIVE DAMAGES, ARISING IN CONNECTION WITH ANY ASPECT OF MOBILE DEPOSIT, EVEN IF THE LOSSES RESULTED FROM THE NEGLIGENCE OF THE PARTIES INDEMNIFIED HEREIN. BANK'S LIMITED RESPONSIBILITY AND LIABILITY AS SET FORTH HEREIN CONSTITUTES CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES UNDER THIS AGREEMENT IN LIEU OF ALL OTHER REMEDIES, WHETHER EXPRESSED OR IMPLIED AND WHETHER AT LAW OR IN EQUITY, AND BANK HEREBY DISCLAIMS, AND CUSTOMER WAIVES AND RELINQUISHES ITS RIGHT TO ANY OTHER REMEDY AND CLAIMS.

August 2020