

## Remote Deposit User Agreement and Disclosure

### 1. Introduction

Small Business Bank (“Bank”) endeavors to provide you with the highest quality Remote Deposit (“Service”) function available. By enrolling in the Service, you agree to all the terms and conditions contained in this Agreement and Disclosure (“Agreement”). We may offer additional Remote Deposit services and features in the future. Any such service or feature will be governed by this Agreement and by the terms and conditions provided to you at the time the service or feature is added and/or at the time of enrollment for the new service or feature, if applicable. We may also amend these terms and modify or cancel the Remote Deposit service we offer without notice, except as may be required by Law.

### 2. Definitions

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

“Account(s)” means your eligible Bank checking, savings, or Money Market account that can be accessed through On-line Banking.

“Agreement” means this Remote Deposit User Agreement and Disclosure.

“Device” means your check scanning device.

“Service(s)” means the remote deposit function, access to, and the software provided.

“We”, “Us”, or “Bank” means Small Business Bank

“You” or “Your” means the business and each person with authorization to access your Account(s).

### 3. Remote Deposit Service

Remote deposit capture are designed to allow you to make deposits to your checking, savings, or money market savings account(s) from your business location by scanning checks and delivering the images and associated deposit information to the Bank.

### 4. Acceptance of these Terms

Your acceptance of the terms and conditions along with the continued use of the Services will indicate your consent to be bound by this and any revised Agreement. The Bank will notify you of any changes via secure email, or on our Website by providing a link to the revised Agreement. You will be prompted to accept or reject the Agreement. Further, the Bank reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Service. Your continued use of the Service will indicate your acceptance of any such changes to the Agreement.

## 5. Limitations of Service

When using the Service, you may experience technical or other difficulties. We will attempt to post alerts on our website or send you a text message to notify you of these interruptions in Service. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Some of the Service may have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you.

## 6. Hardware and Software

In order to use the Service, you may be required to obtain and maintain, at your expense, compatible hardware and software as specified the Bank from time to time. See [www.smallbusinessbank.com](http://www.smallbusinessbank.com) for current hardware and system specifications. The Bank is not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.

## 5. Fees

A fee may be charged for the Service. You are responsible for paying the fees for the use of the Service. The Bank may change the fees for use of the Service at any time pursuant to the section titled "Acceptance of these Terms" above. You authorize the Bank to deduct any such fees from any Bank account in the name of the business. All Fees are posted on web site under Fee Schedule and all fees are accessed based on your account type.

## 6. Eligible items

You agree to scan and deposit only "checks" made payable to you (or in any reasonable derivation thereof) as that term (checks) is defined in Uniform Commercial Code § 3-104 (f) (i) only. When the image of the check transmitted to the Bank it is converted to an Image Replacement Document for subsequent presentment and collection.

## 7. INELIGIBLE ITEMS

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.

- Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into
- Money orders and/or cashiers checks
- 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

- Checks payable jointly, unless it is deposited into an account in the name of all payees.
- Checks previously converted to a substitute check, as defined in Reg. CC.
- Checks drawn on a financial institution located outside the United States.
- Checks that are remotely created checks for more than \$ 1,500.00.
- Checks not payable in United States currency.
- Checks dated more than 6 months prior to the date of deposit.
- Checks or items prohibited by the Bank under any other terms of your account.
- Checks payable on sight or payable through Drafts, as defined in Reg. CC.
- Checks with any endorsement on the back other than that specified in this agreement.
- Checks that have previously been submitted through the Service or through a remote deposit capture service offered at any other financial institution.
- Checks or items that are drawn or otherwise issued by the U.S. Treasury Department.
- Checks payable only by a draw on a payee's credit card, line of credit, or home equity account

7. Endorsements and Procedures

You agree to restrictively endorse any item transmitted through the Service as "**For deposit only, account # \_\_\_\_\_**" or as otherwise instructed by the Bank. You agree to follow any and all other procedures and instructions of the Service as the Bank may establish from time to time.

8. 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 the Bank, that we have 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. We further reserve the right to charge back to your account at any time; any item that we subsequently determine was 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.

9. Availability of Funds

You agree that items transmitted using the Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. In general, if an image of an item you transmit through the Service is received and accepted prior to 4:00 p.m. Central Time on a business day that we are open for normal business, we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are

open. Funds deposited using the Services will generally be made available after three completed business days after the day of deposit. The Bank 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 The Bank, in its sole discretion, deems relevant. You also agree that longer holds maybe placed on your funds when sound banking practices or any question of the collectability of the funds are in question.

10. Disposal of Transmitted Items

Upon your receipt of a confirmation from The Bank that we have received the images that you have transmitted, you agree to retain the check for no less than 90 calendar days. After 90 days, you may destroy the checks that you transmitted, mark them "VOID", or otherwise render it incapable of further transmission, deposit, or presentment. During the time the retained check is available, you agree to promptly provide it either in image form or in physical form to the Bank, upon request.

11. Deposit Limits

We may establish limits on the dollar amount and/or number of items or deposits from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of the limits it does not obligate the Bank to approve future deposits that exceed the original terms of this Agreement. The current daily dollar limit per item is \$25,000.00. The total transactions limit is \$75,000.00 per business day. There is no daily or monthly statement cycle limit on the number of items, as long as the respective daily dollar limits are not exceeded. Individual limits can be assigned to your account based on a number of factors that support sound banking practices. Request can be made of the Bank to increase the limits, but all increases will remain in effect for as long as the Bank determines and can be canceled by the Bank at any time without notice.

12. Presentment

The manner in which the items are cleared, presented for payment, and collected shall be at the Bank's sole discretion subject to the Bank Services Agreement(s) governing your account.

13. Errors

You agree to notify the Bank of any suspected errors regarding items deposited through the Service right away, and in no event later than 30 days after the applicable Bank statement is sent. Unless you notify the Bank within 30 days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against the Bank for such alleged error.

#### 14. Errors in Transmission

By using the Service you accept the risk that an item may be intercepted or misdirected during transmission. We bear no liability to you or others for any such intercepted or misdirected items or information disclosed through such errors.

#### 15. Image Quality

The image of an item transmitted to the Bank using the Services must be legible, as determined by the sole discretion of the Bank. Without limiting the foregoing, the image quality of the items must comply with the requirements established from time to time by the Bank, ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearinghouse or association.

#### 16. User Warranties and Indemnification

You warrant to Small Business Bank that:

- You will only transmit eligible items.
- You will not transmit duplicate items.
- You will not re-deposit or re-present the original item.
- All information you provide to the Bank is accurate and true.
- You will comply with this Agreement and all applicable rules, laws and regulations.
- You are not aware of any factor which may impair the collectability of the item.
- You agree to indemnify and hold harmless the Bank from any loss for breach of this warranty provision.

#### 17. 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.

#### 18. Termination

We may terminate this Agreement at any time and for any reason. This Agreement shall remain in full force and effect unless and until it is terminated by us. Without limiting the foregoing, this Agreement may be terminated if you breach any term of this Agreement, if you use the Service for any unauthorized or illegal purposes or you use the Service in a manner inconsistent with the terms of your Bank Services Agreement, any other agreement with us, and sound banking practice.

## 19. Enforceability

We may waive enforcement of any provision of this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect our rights with respect to any other transaction or to modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

## 20. Ownership & License

You agree that the Bank retains all ownership and proprietary rights of the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Service in any anti-competitive manner, for any purpose which would be contrary to the Bank's business interest, or to the Bank's actual or potential economic disadvantage in any aspect. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Service.

## 21. DISCLAIMER OF WARRANTIES

YOU AGREE YOUR USE OF THE SERVICE AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICE WILL MEET YOUR REQUIREMENTS, WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, THAT THE RESULTS OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND THAT ANY ERRORS IN THE SERVICE OR TECHNOLOGY WILL BE CORRECTED.

## 22. LIMITATION OF LIABILITY

YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICE INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THIS SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF THE BANK HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.