

# THE BANCORP BANK, N.A. ACCOUNT AGREEMENT

This Account Agreement is effective November 6, 2023.

## IMPORTANT – Please read carefully and retain this Account Agreement for your records.

Your account(s) is issued and operated by The Bancorp Bank, N.A. The headers used throughout this Account Agreement are for convenience. If any provision or portion of this Account Agreement is, or becomes, invalid under any applicable statute or rule of law, the remainder of this Account Agreement shall remain in full force and effect. If you have any questions concerning the Account Agreement terms and conditions, please contact us using the contact information appearing below.

CONTACT and WEBSITE INFORMATION	
Website	www.thebancorpbank.com
Telephone	800.545.0289
Email	info@thebancorp.com
To help maintain the security of your financial information, please do not include your account number or Tax Identification Number in email correspondence.	
U.S. Mail	The Bancorp Bank, N.A. Attn: _____ 409 Silverside Rd., Suite 105 Wilmington, DE 19809
For general inquiries – Attn: Customer Service Center For stop payments – Attn: Stop Payment For debit card inquiries – Attn: Electronic Card Services For unauthorized transfers, errors, or questions related to: Electronic transactions – Attn: Electronic Card Services Deposits - Attn: Deposit Operations P.O. Box 15329 Wilmington, DE 19885-5329	

## Definitions

This Account Agreement (the "Agreement") contains the rules and terms and conditions which govern, where appropriate, your account(s) with The Bancorp Bank, N.A. (the "Bank," "we," or "us").

The words "you" and "your" mean each account owner and anyone else with authority to deposit, withdraw, or exercise control over an account. If there is more than one owner, then these words mean each account owner separately, and all account owners jointly.

An "Owner" is one who has the power to deal with an account in his, her, or its own name.

An "Agent" in contrast, is one whose power to withdraw from an account comes from, or is on behalf of, the Owner(s). Authorized signers, designated corporate officers, trustees, attorneys-in-fact, and convenience signers are examples of Agents.

Entities such as corporations, limited liability companies, partnerships, estates, conservatorships, and trusts are not natural persons, and can only act through Agents. In such cases, it is the "Entity" that is the Owner.

"Personal Account" is an account in the name of natural person(s), i.e., individuals. This is distinguished from a "Non-Personal Account" which is an account in the name of a corporation, partnership, trust, or other Entity.

"Deposit Account" means any checking account, savings account, or money market account opened with the Bank.

"Demand Deposit Account" or "DDA" means an account which may or may not be interest-bearing for which available funds are payable on demand with no notice restrictions and no ownership eligibility restrictions.

"Financial Service" means a Deposit Account, overdraft credit account, Funds Transfer Service, or any other financial product or service available through the Bank.

Unless it would be inconsistent to do so, words and phrases used in this Agreement should be construed so that the singular includes the plural and the plural includes the singular.

## Consent to Terms and Conditions and Modifications

By submitting a Bank-approved application or using any Financial Service, you agree to the terms and conditions of the account and the **Schedule of Fees** that may be imposed. The terms and conditions of the account include this Agreement, any disclosures we give you when you open the account, disclosures we give you when you use additional products and services, periodic statements, user guides, privacy statements, and any other disclosure or terms we provide to you. Continued use of the account means you agree to these terms and conditions, you agree to

pay the fees listed, and you give us the right to collect the fees, as earned, directly from the account balance. You are responsible for the accuracy and completeness of all information supplied to us in connection with the account and/or account services.

Any notice provided by us to any Owner is deemed to have been provided to all Owners.

## Modifications

The Bank may amend or change any terms of this Agreement or any account disclosures and documents provided to you. Notice of the amendment or change will be provided to you as required under applicable law.

If at any time the terms, conditions, or charges associated with the account are not acceptable to you, you may terminate this Agreement by closing the account after paying any fees, penalties, or charges owed to the Bank. We may cancel or suspend your Automated Teller Machine ("ATM") or debit card or other account access device or service or this Agreement at any time.

## Waivers and Precedents

Any waiver by the Bank must be approved by an authorized representative of the Bank. If a waiver is approved by the Bank, we are not obligated to provide similar waivers in the future.

## Identification Notice (USA PATRIOT Act)

To help the government fight the funding of terrorism and money laundering, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

This means that when you open an account, we may ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see other identifying documents such as a driver's license or documents showing your existence as a legal entity.

Even if you have been an existing customer of ours for many years, we may ask you to provide this kind of information and documentation because we may not have collected it from you in the past or we may need to update our records.

If, for any reason, any Owner is unable to provide the information necessary to verify their identity, the account(s) may be blocked or closed, which may result in our assessing any applicable fee(s) in accordance with our **Schedule of Fees** and/or the account(s) being subject to the assessment of any third-party fee(s).

## OVERVIEW

### Owner's Authority and Authorized Persons or Agents (including Power of Attorney)

Each Owner of a Personal Account, or an Agent for a Non-Personal Account, acting alone, has the power to perform all the transactions available for the account. For example, each is authorized on behalf of you to open, operate, and close accounts; execute or otherwise agree to any form of agreement relating to the Financial Services, including, without limitation, draw, accept, endorse, or discount checks, drafts, bills of exchange, notes, and other financial instruments; receive materials related to security procedures; and give instructions, including, without limitation, requests and payment orders, by means other than the signing of an item, with respect to any account transaction.

Without limitation, such instructions may be given regarding: (i) the payment, transfer, or withdrawal of funds by wire, computer, or other electronic means, or otherwise; (ii) money, credits, items, or property at any time held by the Bank for your account; or (iii) any other transaction of yours with the Bank. Upon the death of one Owner of a joint account with right of survivorship, the balance of the account will belong to the surviving Owner(s).

Any Owner is permitted to authorize anyone else to access your account (an "Agent"). This can be done by following a process the Bank requires (such as designating someone an authorized signer) or by authorizing someone on your own to act on your behalf (such as through a power of attorney designation).

If you name an Agent:

- 1) we may require that you use forms we approve and require each Owner to sign the form to be effective;
- 2) the powers you give to your Agent, and any limitations on those powers, are between you and your Agent, even if we have express written notice of those powers. You understand and agree that we have no duty or responsibility to monitor the acts of your Agent or ensure that the acts of your Agent are for your benefit. For example, if you only give your Agent authority to pay your bills and your Agent exceeds that authority, we are not responsible for that breach of authority;
- 3) you agree not to hold us responsible for any loss or damage you incur as a result of us following instructions given to us by your Agent;
- 4) the Owners are responsible to us for any actions of the Owner(s)' Agent, regardless of whether those actions exceed the authority given or whether the Agent is formally nominated by all the Owners or less than all the Owners;
- 5) the agency will end if the Owner dies and we get notice of that death, or if there is more than one Owner, the agency will end after the death of the last Owner and we get notice of that death and, in either case, once we've had reasonable opportunity to act on it;

- 6) the agency will end after the Owner notifies us in writing to end the agency and we have had a reasonable opportunity to act on it;
- 7) if you authorize any third person, such as a bookkeeping service, an employee, or Agent of yours to retain possession of or prepare items, you agree to assume full responsibility for any errors or wrongdoing performed or caused by such third person or any of its agents or employees if we should pay any such item; and
- 8) your Agent is not allowed to change the ownership of the account, to change any existing beneficiaries, or to name themselves or any other person or entity as a beneficiary on the account.

The Bank is authorized to rely upon any document that indicates a person or Agent is authorized to act on behalf of you with respect to Financial Services. That authority shall remain in effect until the authority for the Agent is withdrawn by you upon written notice to the Bank and the Bank has had a reasonable opportunity to act on the termination instruction.

The Bank will honor a power of attorney designation on an account, if we receive the required documentation evidencing such designation. The Owner and person executing the power of attorney over a Deposit Account is known as the "Principal." The person granted power of attorney for the Principal is known as the "Attorney-in-Fact." We may refuse to accept a power of attorney for reasonable cause, and we may require the Attorney-in-Fact to sign an affidavit stating that the power of attorney presented to us is a true copy and that, to the best of the Attorney-in-Fact's knowledge, the Principal continues to be alive and competent and the relevant powers of the Attorney-in-Fact have not been amended or terminated.

The Principal is responsible for informing us in writing if the Principal learns of any untrue or misleading information relating to the power of attorney or if the Attorney-in-Fact exceeds the authority granted by the Principal in the power of attorney. The Attorney-in-Fact is required to notify us in writing if the Principal or any other Owner dies or is declared incompetent.

The power of attorney will continue in force until (a) we receive written revocation from the Principal; (b) we receive written notification of the Principal's death; or (c) we receive written notification of the death or incapacity of the Attorney-in-Fact.

#### **Financial Services**

The Financial Services offered through the Bank are provided by The Bancorp Bank, N.A., a member of the Federal Deposit Insurance Corporation (the "FDIC"). For purposes of applicable FDIC deposit insurance limitations, deposits in accounts at The Bancorp Bank, N.A. opened through the Bank, or any affiliated Bank or Bank website, may not be separately insured from any other Deposit Accounts you may have opened with The Bancorp Bank, N.A., depending on the named account owners.

#### **Your Contact Information**

You have sole responsibility for providing the Bank with a correct and operational email address and ensuring you have access to that email address. You must promptly notify the Bank of any change in your email or postal mailing address, or if you are unable to access your account information through the Internet. If you do not promptly notify the Bank, we will not be held liable for any adverse effects to your account as a result of undelivered mail or email or due to your inability to receive physical mail or to access your account information over the Internet. The Bank is not responsible for any costs you incur for maintaining Internet access or an email account.

#### **Privacy**

Your account is subject to the Bank's privacy practices as set forth in our privacy notice provided to you when you open an account at the Bank. We will provide you an updated privacy notice if our privacy practices change. Our current privacy notice is available for you to view at any time on our website.

#### **Consumer Reports**

Consumer reports may be obtained by the Bank in connection with any Financial Services you request or receive. The Bank will inform you of its use of any consumer report as required by law. If you ask us, you will be informed whether or not such a report was requested, and if so, the name and address of each agency furnishing the report.

#### **Illegal, Fraudulent, or Improper Activity**

You will not use the Bank website or any Financial Services for any illegal, fraudulent, or improper activity, including illegal Internet gambling. If the Bank suspects you may be engaging in or have engaged in illegal, fraudulent, or improper activity, including a violation of this Agreement, or any terms and conditions relating to the Bank website or any Financial Services, your access to the Bank website and any Financial Services may be suspended or terminated. You understand that transactions in your accounts may be suspended or terminated if an Internet Banking user ID ("User ID"), Internet Banking password ("Password"), Automated Teller Machine ("ATM") card, debit card, Personal Identification Number ("PIN"), or Telephone Banking PIN (individually and collectively, an "Access Device") has been reported lost or stolen or when the Bank reasonably believes there is unusual or suspicious activity on any of your accounts. You will cooperate fully with the Bank to investigate any suspected illegal, fraudulent, or improper activity.

#### **Fraud Prevention**

To help prevent fraud and other criminal activities, the Bank strongly suggests you use an up-to-date web browser with security features. Regardless of whether you use a web browser with security features, the Bank is unable to ensure that data transmitted by you to the Bank, or from the Bank to you, will not be intercepted by third parties. To further ensure the security of your account, the Bank encourages you to avoid transmitting confidential information through email communications.

Further, do not disclose your Password to access the Bank website, or any PIN assigned to your account, to any person other than persons you intend to have full authority to act on your behalf with regard to all of your Financial Services and accounts. The Bank may act upon instructions and information received from any person who enters your User ID and Password, or provides your PIN, as applicable. You will notify the Bank immediately if your Password or PIN is compromised or lost.

#### **Telephone Monitoring/Recording**

From time to time we may monitor and/or record telephone calls between you and us to assure the quality of our customer service or as required by applicable law.

#### **Limit on Liability**

To the fullest extent permitted by law, the Bank will not have any liability in connection with any unauthorized interception or use of data relating to you or the Financial Services; any inability to use or access the Bank website for any reason; any actions or transactions by an individual who uses your User ID and Password; or any cause over which the Bank does not have direct control, including problems attributable to computer hardware or software (including computer viruses), telephone or other communications, or Internet service providers. The Bank will not have liability for any adverse effects to your account caused by any spam block programs or fire walls that may prohibit email communications and/or account information access through the Internet.

The Financial Services accessible through the Bank website are provided "as is" and with all faults. The Bank disclaims, for itself and for each other entity related to providing the Financial Services, all warranties, either express or implied or statutory, including, but not limited to, any implied warranties of merchantability, fitness for a particular purpose, and lack of viruses. In no event shall the Bank be liable for (a) damages caused other than by its own gross negligence or intentional misconduct or (b) indirect, special, incidental, consequential, or punitive damages whatsoever (including, but not limited to, damages for lost profits, disclosure of confidential information, or loss of privacy) arising out of or in any way related to the use of or inability to use the Bank website or any Financial Services, even if the Bank has been advised of the possibility of such damages. In no event shall the Bank be liable for any act or omission of any third-party (such as, for example, any provider of telecommunications services, Internet access, or computer equipment or software) or any circumstances beyond our control (such as, for example, a fire, flood or other natural disaster, act of God, war, riot, strike, act of civil or military authority, equipment failure, computer virus, or failure or interruption of electrical, telecommunications or other utility services). The foregoing disclaimer may not be effective under applicable state law.

#### **Transfer**

You may not transfer any rights or obligations you may have under this Agreement or with respect to any Financial Services without prior written consent of the Bank. The Bank reserves the right to transfer any right or obligation under this Agreement or with respect to any Financial Services without your consent.

#### **Governing Law**

This Agreement between you and the Bank is accepted by the Bank in the State of South Dakota. All disputes arising from or related to the Agreement or your account(s) shall be governed by the substantive laws of the state of South Dakota, without regard to its conflict of laws principles. Bank is headquartered in Sioux Falls, South Dakota and its only branch(es) are located in Sioux Falls, South Dakota. All accounts are maintained and are located in Sioux Falls, South Dakota. Governing South Dakota law may be supplemented as necessary by federal law. Bank may change the location of your account(s) at any time.

In addition to the terms and conditions set forth in this Agreement and related account disclosures, your account is subject to applicable Office of the Comptroller of the Currency ("OCC") rules and regulations, FDIC rules and regulations, and the laws of the United States of America and any other regulatory bodies with jurisdiction over the Bank and the Financial Services provided.

#### **Miscellaneous**

This Agreement is binding upon and shall inure to the benefit of permitted successors, assignees, and designees of you and the Bank. If any provision of this Agreement is invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired and will remain in full force and effect.

#### **Contacting The Bancorp Bank, N.A.**

You may contact The Bancorp Bank, N.A. by U.S. Postal Service mail ("U.S. Mail"), telephone, or email using the contact information appearing at the beginning of this Agreement. Telephone conversations with representatives of the Bank may be recorded and retained. Please remember that information sent to us via email is sent over a non-secure network. **Do not include confidential personal**

information such as account numbers or Tax Identification Numbers in any non-secure communication.

## **GENERAL TERMS AND CONDITIONS**

### **Account Transfer**

Your account(s) may not be transferred or reassigned without our prior written consent.

### **Right of Set Off**

If you owe us money or are past due on any obligation to us, we can use the funds in any of your accounts with us to repay the amount you owe us, without going through any legal process or court proceeding. In other words, we reserve the right to set off any liability primary or secondary, direct or contingent, past, present, or future, sole or joint – that you owe to us, against any individual or joint Deposit Account you have with us. To the extent we charge your account, we are relieved from any liability in connection with the funds we use. Further, you grant us a lien on and security interest in the funds on deposit in each of your accounts as security for all your liabilities and obligations to us, now or in the future. We will notify you if we have exercised our right of set off.

### **Statements**

You agree to promptly examine and reconcile your paper or electronic periodic statement upon receipt or within 30 days from when the statement is first sent or made available to you and to notify us immediately by telephone or by email of any discrepancy between the statement and your records. If you fail to do so, you may have to either bear the loss yourself or share the loss with us (depending on whether we used appropriate care and/or whether we in any significant way contributed to the loss). For consumer accounts, you are afforded specific protections under Regulation E for transactions that are defined as electronic fund transfers. Any electronic fund transfer you believe was unauthorized or processed in error must be reported to us no later than 60 days after we sent or made available to you the first statement on which the problem or error appeared. For additional information about Regulation E and electronic fund transfers to or from consumer accounts, see the section in this Agreement titled: "ELECTRONIC FUND TRANSFERS AND RELATED DISCLOSURES FOR CONSUMER/PERSONAL ACCOUNTS."

### **Investigation of Claims**

If you fail to discover or notify us of any unauthorized signature, forgery, or alteration on the face or back of the check or any unauthorized draft or similar item that is not defined as an electronic fund transfer (covered separately in this Agreement for consumer/personal accounts) on your account within 30 days after the first statement on which the transaction appeared is made available to you, you cannot make any claim against us with respect to the check, draft, or item. In addition, we are not liable for an item that has been forged or altered in such a way that a reasonable person could not discover the forgery or alteration.

You are in the best position to detect an unauthorized signature, a forged endorsement, a material alteration, an unauthorized paper draft, or any unauthorized item on your account.

If you notify us of an unauthorized signature, forgery, or alteration on the face or back of any check, any unauthorized paper draft, or any unauthorized item on your account within the time period required by the terms of this disclosure, we may investigate your claim for up to 60 days after receipt from you of all information we may request from you regarding such claim.

During any investigation of your claim of any unauthorized signature, forgery, alteration, unauthorized paper draft, or unauthorized item that is not defined as an electronic fund transfer with respect to your account, we may elect to freeze or not credit you for the amount of such item(s) until we have completed our investigation.

We are not responsible for any temporary unavailability of funds in your account during the time in which the disputed item(s) are under investigation. This includes forged checks, unauthorized paper drafts, and unauthorized items not defined as electronic fund transfers.

### **Account Liability/Customer Assistance**

If you notify us of any alleged fraudulent or unauthorized item or transaction affecting your account **other than an electronic fund transfer to a consumer account** and we elect to credit your account for the amount of any such alleged fraudulent or unauthorized item or transaction, you agree to fully cooperate with us and assist us during any investigation or proceeding.

If you refuse or fail to fully cooperate and assist us in any investigation or proceeding involving such unauthorized items by or for your benefit, then, at our election, you must repay to us the amount of any prior account credit for the unauthorized item(s), and we may deduct such amounts from your account without further notice. In addition, you agree to hold the Bank harmless for any loss you incur as a result of the unauthorized item(s). Notifying us of any fraudulent and unauthorized electronic fund transfers to a consumer account are covered by Regulation E and are addressed in this Agreement under the section titled "ERRORS OR QUESTIONS AND HOW TO CONTACT US." For additional information about Regulation E and electronic fund transfers to or from consumer accounts, see the section in this Agreement titled: "ELECTRONIC FUND TRANSFERS AND RELATED DISCLOSURES FOR CONSUMER/PERSONAL ACCOUNTS."

### **Inactive and Dormant Accounts and Unclaimed Property**

A Deposit Account is considered inactive after a period of no customer-initiated activity. Should the period of inactivity continue, the Deposit Account may be considered dormant. We will notify you in writing with instructions on how to restore the inactive or dormant Deposit Account to active status without the need to make any transactions. If it is an interest-bearing account, the Deposit Account will continue to earn interest and will be subject to service charges in accordance with our **Schedule of Fees**.

The funds in a dormant Deposit Account may become subject to being turned over to the state of the depositor's last known address on file with us. Each state has its own unclaimed property/escrow laws regarding when the funds must be turned over. We will make all reasonable efforts to contact you before the funds are turned over to the appropriate state. For Deposit Accounts with international addresses, the funds will be turned over to the State of South Dakota. Most states maintain a website where you can see if funds are being kept in your name, and how to claim the funds.

### **Duty of Care**

In accordance with reasonable banking standards, most checks and other items presented to us for payment are processed through automated processing and, except in limited circumstances and subject to such reasonable sampling procedures as we establish at our discretion, most items are not individually examined to verify your signature or verify that the item is otherwise properly payable. You agree that we act within reasonable banking standards by processing most checks, paper drafts, and other items through automated processing systems.

### **Foreign Activity**

If you have moved outside of the United States or have frequent international transactions, you may be contacted about the international activity in your account and for verification of your address. If you are moving, traveling, or will be temporarily residing overseas, we recommend you contact us to prevent disruption to, or closing of your account.

### **Death or Incompetence**

You or your appointed party, designee, or appointed individual as determined to our satisfaction agree to notify us promptly if any Agent or person with signatory rights on your account dies or becomes legally incompetent or incapacitated. We may continue to honor such checks and items until (a) we know of the fact of death or of a legal determination of incompetence or incapacitation and (b) we have had a reasonable opportunity to act on that knowledge.

You agree that, even if we have knowledge of death of an Agent or person with signatory rights, we may pay checks drawn on or before the date of death for up to 10 days after that date, unless ordered to stop payment by someone claiming an interest in the account. We may require additional documentation to confirm any claims made on the account.

### **Facsimile Signatures**

Before using any form of facsimile signature in connection with a Deposit Account, you agree to submit a sample to us and to execute and deliver agreements in a form we require. When you use a facsimile signature, you agree you shall have the sole responsibility for ensuring the security of the facsimile signature, and you bear the entire risk for unauthorized use thereof, whether or not you are negligent, except where it may be required by law.

You agree that no facsimile signature we have been authorized to honor may be considered a forgery or an unauthorized signature, and that such facsimile shall be effective as your signature or endorsement, whether or not you have been negligent. You further agree to indemnify us and hold us harmless from and against any and all losses, costs, damages, liabilities, or exposures we or you may suffer or incur as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile or automated signature or the device by which it is affixed.

### **Fees and Charges**

You agree to pay the charges as shown on the **Schedule of Fees**, which is provided with this Agreement and is posted on our website, the address of which appears at the beginning of this Agreement. Fees or charges incurred on your account will be deducted directly from the account balance, except as prohibited by law. In the event your account balance is less than the fee amount being assessed, the entire account balance will be applied to the fee amount, and any **UNPAID FEE AMOUNTS WILL BE PENDING UNTIL A DEPOSIT IS RECEIVED, AT WHICH TIME THE UNPAID FEE AMOUNT WILL BE DEDUCTED FROM YOUR ACCOUNT BALANCE**. If a fee is pending, any subsequent deposits made to your account will first be applied to any negative balance and any pending fees. This means your remaining account balance will be less than your deposit to the account. We will not be held liable for any items that are dishonored or any other debts that may occur from the deduction of charges as stated in this Agreement.

### **Interest Rates**

Your account may earn interest at such a rate and compounding frequency as we disclose to you in the interest rate and annual percentage yield ("APY") disclosures we provide to you when you open your account. Current interest rates and APYs applicable to your account are posted on our website, the address of which appears at the beginning of this Agreement.

### IRS Backup Withholding

If you do not provide us with your correct Tax Identification Number (Social Security Number or Employer Identification Number) and the required certification, or if we receive a notice from the Internal Revenue Service ("IRS"), the interest earned on your account may be subject to federal backup withholding at the IRS-mandated rate.

### Levies, Garnishments, and Other Legal Processes

If your account becomes subject to legal action, such as a tax levy or third-party garnishment, we reserve the right, to the extent as permitted by law, to refuse to pay any money from your account, including checks or other items presented for payment, until the action is resolved. If we are required to pay an attachment, garnishment, or levy, we are not liable to you. Payment is made after satisfying any fees, charges, or other debts owed to us. You agree you are responsible for any expenses, including legal expenses and fees we incur due to an attachment, garnishment, or levy on your account. We may charge these expenses to your account. Until we receive the appropriate court documents, we may continue to process transactions against your account, even if we have received an unofficial notification of an adverse claim. You will indemnify us for any losses if we do this. Your account may be charged a fee in accordance with our **Schedule of Fees**.

### Signature Cards

You will provide us with any signature cards and/or other documentation or information we request in connection with an account. Your failure to provide this information may prohibit transactions for which these documents are required for verification purposes. We may incorporate the signature card into the application for the account.

### Financial Information

You agree to provide us with accurate and complete financial and other information we request in connection with an account. Information concerning the misuse of an account may be reported to credit reporting agencies and will be made available when requested by proper legal procedures.

### Personal Accounts

An account opened for personal use cannot be used for business purposes. If your personal account is identified as being used as a business account, it will be closed.

### Account Closing

If you wish to close your Deposit Account with the Bank, you agree to notify us of this intention in writing. The Bank reserves the right to require at least 7 days written notice prior to the withdrawal of your funds from an account other than a Demand Deposit Account (DDA). After a Deposit Account is closed, we have no obligation to accept deposits or pay outstanding items but may do so at our discretion and any Access Device will no longer be active. You agree to hold us harmless for honoring or refusing to honor any check, paper draft, or other item on a closed account. It may take up to 30 days to process your account closure. A Bank check for the balance in the account will be sent to the address on file once the Bank has received all required documentation for closing the account.

Required documentation includes a written, signed request to close your account and proof of identity documents if not already on file with us. Additional documents may be required in certain specific circumstances and will be requested from you if needed. All related closing fees as noted in our **Schedule of Fees** may be deducted from the final balance.

If the balance in your account is \$2.00 or less, the Bank will not send a check for the balance. Your funds will be forfeited, and the Bank will retain those funds. The Bank reserves the right to close your account at any time.

### Internal Accounting of Balances

The following is a summary of the functionality of your account. This is an explanation of how your account is structured and does not reflect any changes to your account functionality at this time. Your checking account will consist of 2 sub-accounts on the books of the Bank: (1) either a demand deposit (non-interest-bearing) account or a NOW (interest-bearing) account; and (2) a savings deposit account, as those terms are defined under federal law. The two will be treated as a single account for customer use, and you will see no effect.

All deposits and other credits will be posted to, and checks and debits will be deducted from, the demand deposit or NOW account. Whenever the demand deposit or NOW account balance exceeds a threshold amount (which we may establish and change at our discretion), we may transfer funds above that amount to the savings deposit account. As these funds are needed to pay items presented against your checking account, the appropriate amount will be transferred back to the demand deposit or NOW account, up to 6 times per statement cycle. If a sixth transfer is needed, the entire balance of the savings deposit account will be transferred into the demand deposit or NOW account. This process may be repeated each month.

For interest-bearing checking accounts, we will pay the same rate of interest on balances in both sub-accounts. Your periodic statement will show a single annual percentage yield earned on the combined balances.

### Links to Other Websites

These terms and conditions, our website, and our affiliates' websites may contain links to third-party websites (websites that are not controlled or offered by the Bank). We hereby disclaim liability for any information, materials, products, or services on any of the third-party sites linked to by these terms and conditions, our website, or our affiliates' websites. By linking to a third-party website, we do not endorse or recommend any products or services offered or information contained on that website, nor are we liable for any failure of products or services offered or advertised at those sites. Such third-party websites may have privacy policies different from ours and may provide less security than we do on ours.

### Confidentiality

We will disclose information about your account or the transactions you make to third parties:

- 1) Where it is necessary to complete transactions;
- 2) To verify the existence and standing of your account with us upon the request of a third-party, such as a credit bureau or merchant;
- 3) In accordance with your written permission;
- 4) In order to comply with court, governmental, or administrative agency summonses, subpoenas, or orders; and
- 5) On receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act of 1978.

## DEPOSITS TO ACCOUNTS

### Accepting Deposits

All items deposited will be handled by us as agent for you. If an item is sent by mail to the Bank for deposit, we will not consider it received until we have the actual item in our possession. For checks sent via mobile deposit (if available), the check shall not be considered to have been received by the Bank until the Bank receives the valid electronic check image file. We have the right to refuse any deposit. We may not accept deposits in foreign funds or checks drawn on banks located outside of the United States. If we do accept a foreign deposit it may take up to 45 days to receive credit in your account. If we choose to accept foreign checks, the items are subject to collection prior to being credited to your account.

We may disregard any information written or printed on a check other than the signature of the drawer, the identification of the bank on which the check is drawn, the name of the payee, the written and numeric dollar amounts, and the electronically encoded routing information on the check.

The Bank reserves the right to reject a deposit if it is made payable to the Bank and contains no means to identify the account to which it should be credited.

### Receipt of Deposits

For all transactions received in our Operations Center before 3:00 PM Eastern Time on a business day or 7:00 PM Eastern Time on a business day for mobile or remote scanned deposits (if available), we will consider that day to be the day of your deposit. Any deposits received by us after these times or received on a day on which we are not open for business will be treated and recorded as if received on the next business day we are open. Saturday, Sunday, and federal holidays are not considered business days. All checks, drafts, and other items are conditionally credited to your account in U.S. dollars and are subject to our receipt of final payment for each item. We assume no responsibility for collections beyond the exercise of reasonable care. For deposited items, we are not responsible for the negligence of our correspondent banks or for the loss of items in transit.

The Bank is not liable for any deposits lost in the mail, lost in transit, or otherwise not received by the Bank.

### Cash Deposits

We do NOT accept cash for deposit. Any cash you send will be returned to you through the U.S. Mail. The Bank is not liable for any cash lost in the mail, lost in transit, or not received by us or you.

### Direct Deposits

If we deposit any amount into your account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

If a direct deposit posts to your account and is later found to be made payable to someone other than yourself or the owner of another account listed in our records, the amount of the deposit will be deducted from your account and returned to the originator without prior notice to you.

### Third-Party Checks

All checks deposited must be payable to you; the Bank will not accept third-party checks (including checks made payable to a business but submitted for deposit to your individual/joint account). Two-party checks may only be deposited into a joint account bearing both names of both payees on the check. In the event the Bank receives and detects a third-party check, the Bank will not deposit the check into any account at the Bank. Third-party checks will be returned to you through the U.S. Mail, and the Bank will not be liable for any checks that may become lost in the mail. If a check made payable to a third-party is deposited to your account before we detect it, we may, without notice to you, debit your account and return the funds in the form of a Bank check payable to the payee of the original check.

and mailed to your address on file with us. Third-party checks deposited through remote capture or mobile deposit (if available) may be rejected during processing. If we choose to allow a third-party check to be deposited, we do so at our discretion and will not be obligated to do so thereafter. The Bank reserves the right to reject a deposit if it is made payable to the Bank and contains no means to identify the account to which it should be credited.

#### **Automated Clearing House Deposits**

In order to transfer funds from an account that you own or have control of at another financial institution to your account at the Bank using the Automated Clearing House ("ACH") service, the Bank may require additional documentation or verification before activating this service. ACH transactions will not be processed and accessible until the ACH service is activated by the Bank, upon receipt and review of the requested documentation or verification.

#### **Endorsements**

You will endorse any check or other item submitted for deposit exactly as it was made payable to you. You warrant that all endorsements on items deposited to your account are genuine. Any endorsement must be placed in the one-inch area starting at the left side on the back of an item and the remaining area on the back of the item may not contain any preprinted, stamped, or handwritten information. If you fail to do this, you may be required to reimburse us for losses incurred. In the absence of endorsement, you authorize us to supply any missing endorsements if items are made payable to you or your order and you have not endorsed them.

#### **Deposited Items Returned**

If final payment is not received on any item you deposited to your account, or if any direct deposit, ACH deposit, or electronic fund transfer to your account is returned to us for any reason, you agree to pay us the amount of the returned item(s). We may charge any Bank account of which you are an owner or re-present any item you deposit with us that is returned to us unpaid without prior notice to you. We may adjust any accrued interest on your account, and we may charge a fee for returned deposited items in accordance with our **Schedule of Fees**.

You authorize us to attempt collection of previously returned items you deposited. In our attempts to collect these items, you agree that we may allow the payor bank (the bank on which the item is drawn) to hold the item beyond its midnight deadline. If an item you deposit is returned unpaid, you waive the requirement for notice of this return.

If a claim is made on any item subsequent to final payment on the grounds that the item was altered, bears a forged or unauthorized endorsement, or was not otherwise properly payable, we may withhold credit for the item from your account until final determination of the claim. In addition, we will not be liable for a check, draft, or other item you deposit that has been forged or altered in such a way that a reasonable person could not discover the forgery. The Bank may return or refuse to accept all or any part of a deposit or credit to an account at any time, and will not be liable to you for doing so, even if such action causes outstanding items to be dishonored and returned, or payment orders to be rejected. Refused deposits will be returned to you.

#### **Disputes over Account Funds**

The Bank may refuse to pay out any money from an account until it is documented to the Bank's satisfaction that any dispute over the deposits or funds (including, without limitation, any dispute over which persons are authorized to represent or act for the Owner) has been resolved by a court or by agreement of the parties. The Bank may file an action to join in a court action with respect to any money where the Bank has been notified of disputed claims to that money. If any person asserts that a dispute exists, the Bank is not required to determine whether that dispute has merit in order to refuse to pay funds or interplead the funds. You agree to reimburse the Bank for any expenses, including legal and attorneys' fees the Bank incurs because of any dispute.

## **WITHDRAWALS FROM ACCOUNTS**

#### **General**

Unless otherwise clearly indicated by the Bank, anyone who signs in the space designated for signatures on the signature card (which may be included in the account application), including authorized signers, may withdraw or transfer all or any part of the account balance at any time on forms approved by us or with your ATM card or debit card. You authorize every person signing the signature card to endorse any item payable to you or to your order for deposit to this account or to complete any other transaction with us, unless and until we receive written notice to the contrary. The Bank reserves the right to require at least 7 days' written notice prior to the withdrawal of your funds from an account other than a DDA.

The Bank may have additional requirements for specific withdrawal methods, such as wire transfers.

If your internal procedures require the signature of multiple owners or agents in order to withdraw funds, you bear the responsibility for following those requirements. The Bank will not verify that the number of signatures is sufficient. The fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so, unless required by law. Withdrawals will first be made from available funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against unavailable funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal or transfer request that is attempted by any method not specifically permitted or that exceeds

any frequency limitations. Even if we honor a nonconforming request, repeated abuse of the stated limitations (if any) may eventually force us to close the account.

#### **Telephone Transfers**

A transfer of funds from your account to another account with us by telephone, if otherwise permitted or arranged for, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing.

#### **Unauthorized preauthorized withdrawals from a business or Non-Personal Account**

If your account is a business account or other Non-Personal Account and you believe that withdrawals or debits from the account made by preauthorized withdrawals (ACH) are unauthorized, you must notify us no later than 2:00 PM Eastern Time on the business day following the business day the transaction was posted to your account in order for us to return this transaction and to credit the amounts back to your account. The Bank cannot guarantee that requests received after this time will be eligible for return or that your account will be credited for the amounts.

## **CHECKS**

#### **Check Presentation**

Checks will be posted to your account in order of check number, from low to high, on the day they are presented for payment. Checks with no numbers will be posted in order of amount, from low to high.

We reserve the right to return unpaid any item presented for payment, check, or otherwise, that is incompletely or defectively drawn. Fees may be assessed in accordance with our **Schedule of Fees**.

We reserve the right, without prior notice to you, to either pay or return any item presented for payment against insufficient or uncollected funds. In addition to the amount of the item, we may charge your account a fee for the payment or return of the item against insufficient or uncollected funds, in accordance with our **Schedule of Fees**.

You agree, immediately upon notice from us, to deposit funds sufficient to cover any overdraft plus applicable charges. If we choose to honor any debit item that overdraws the account, we do so at our discretion and will not be obligated to do so thereafter.

#### **Post-Dated Checks**

A check may not be dated later than the date on which it was written (referred to as post-dated). Despite any notice we may receive, we may pay or return a check that is post-dated without prior notice to you. If we choose to return the check, your account may be charged a fee in accordance with our **Schedule of Fees**. If we chose to pay the check, we will not be held liable for any losses you may suffer.

#### **Stale-Dated Checks**

Despite any notice we may receive, if a check is more than 6 months old, we may pay or dishonor the check, at our discretion, without prior notice to you. If we choose to return the check, your account may be charged a fee in accordance with our **Schedule of Fees**. If we chose to pay the check, we will not be held liable for any losses you may suffer.

#### **Special Conditions – Check Forms**

We reserve the right to require that you use a check printer that meets the technical standards for checks that are acceptable to us for processing. If you obtain checks from a vendor other than one we specify, you are liable for any fraudulent checks that may be created due to limited security features or any other claim that may arise.

We reserve the right to disregard any information placed on the check other than the maker's signature, the payee, the written and numeric dollar amounts, MICR encoding information, and endorsements on the reverse side of the check. We cannot be held responsible for any returns or delays that arise from any markings or writing that is placed by you or another party (endorser) on the item.

If items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You accept sole responsibility for maintaining security over any device affixing the signature and agree to comply with our facsimile signature policies. Such signature will be effective as your signature regardless of whether the person affixing it was authorized to do so.

#### **Stop-Payment Orders**

You may stop payment on a check drawn on a checking account or money market account with us by using your online banking login, by notifying us by calling us toll-free, or writing to us using the contact information appearing at the beginning of this Agreement. A stop-payment order must precisely identify the account number, the check number, the date and amount of the item, and the name of the payee. When you notify us you must include all required information and provide us a reasonable opportunity to act for the stop-payment order to be effective. We will not be responsible if the check for which you requested a stop is not described accurately or has been previously paid by us.

Stop-payment orders placed or renewed in writing shall be effective for 6 months. The Bank may accept an order to extend the stop-payment for an additional 6

months, provided the order is received in writing prior to the expiration of the prior six-month period. Oral or email requests not confirmed in writing to us within 14 days are not binding upon the Bank. An authorized signer must make a release of the stop-payment request in writing. Stop-payment orders may be subject to a fee in accordance with our **Schedule of Fees**. If we pay a check regardless of your valid and timely stop order, we may re-credit your account. If we do this, you may sign a statement describing the dispute with the payee and transfer to the Bank all of your rights against the payee or other holder of the check. In addition, you will assist us in any legal action taken against the payee or other holder of the check.

## **ELECTRONIC CREDITS**

### **Provisional Payment Disclosure**

Credit given to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that the Bank is entitled to a refund of the amount credited to your account. The party paying you, i.e., the originator of the entry, shall not be deemed to have paid you in the amount of such entry.

### **Notice Disclosure**

Under the operating rules of the National Automated Clearing House Association (“Nacha”), which sets the rules for the ACH transactions regarding your account, we are not required to give next-day notice to you of receipt of an ACH item, and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide you.

### **Choice of Law Disclosure**

We may accept on your behalf payments to your account that have been transmitted through one or more Automated Clearing Houses (“ACHs”). For non-consumer accounts, these payments are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of South Dakota as provided by the operating rules of Nacha, which are applicable to ACH transactions involving your account. ACH payments to or from your consumer or personal account are further discussed under the section below covering ELECTRONIC FUND TRANSFERS.

### **Internet Gambling**

In accordance with the requirements of the Unlawful Internet Gambling Enforcement Act of 2006, you cannot use your account or relationship with the Bank to accept credit, funds, instruments, or other proceeds from another person in connection with unlawful internet gambling. When the Bank has actual knowledge of you participating in restricted transactions, the Bank may use its judgment to deny access to and/or close your account.

## **ELECTRONIC FUND TRANSFERS AND RELATED DISCLOSURES FOR CONSUMER/PERSONAL ACCOUNTS**

This section applies only to personal accounts and does not apply to business accounts.

### **Electronic Fund Transfer Disclosure**

We presently offer many bank services that may be considered electronic fund transfers, including, but not limited to, ATM transactions through the Visa®, NYCE®, Plus®, Pulse®, and STAR® networks; Point-of-Sale (“POS”) transactions; ACH transactions, including, but not limited to, direct deposits and preauthorized withdrawals; automated telephone transfers; and online transfers. This disclosure (as required by Federal Regulation E which implements the Electronic Fund Transfer Act) provides information that describes your rights and responsibilities regarding these services. The electronic fund transfer services are services we can provide, assuming you specifically request and arrange them and qualify for the service.

### **Types of Electronic Fund Transfer Services**

Not all services offered are applicable to every account. For questions about your account and the availability of electronic fund transfer services, including overdraft protection and ACH, ATM/debit card, and telephone and online transfer features, please contact us using the contact information appearing at the beginning of this Agreement.

### **ATM and Debit Card Transactions**

Consistent with applicable law and restrictions described below, you may use your ATM or debit card with your PIN to perform most routine transactions on the accounts that are accessible through use of your ATM or debit card.

You can use your ATM or debit card and PIN to:

- Make cash withdrawals
- Make deposits of cash, checks, or drafts
- Transfer funds among Bank accounts linked to the same card
- Obtain your most recently available account balance
- Pay for purchases at places that have agreed to accept the card

Some of the above-described services may not be available at all ATMs or locations.

ATM and debit card restrictions include, but are not limited to, restricted geographic or merchant locations where there is a higher risk of fraud or illegal activity; restrictions to comply with laws or prevent our liability; and other restrictions to prevent fraud and other losses.

If you are under the age of 18, you are not permitted to have an ATM or debit card in your name.

### **International ATM Transactions**

ATM or debit card international transactions are converted to U.S. currency according to the rules and regulations of the ATM network. The conversion of the international currency to U.S. currency may occur on a date other than the original transaction date and fees may be assessed by these networks. You are responsible for the U.S. currency amount plus any fees assessed for the currency conversion. Some services may not be available at international ATM terminals. International ATM transactions may be subject to a fee in accordance with our **Schedule of Fees**.

### **Primary Account**

“Primary Account” means the checking or savings account linked as the primary account to an ATM or debit card for purposes of making purchases or withdrawing cash. This linkage designation is determined at the time a card is requested and can be changed upon request. Any additional accounts linked to an ATM or debit card can only be accessed via ATM if the option is made available by the ATM owner/operator.

### **ATM Deposits**

Deposits made through an ATM are posted to your account according to the terms and conditions of your account as outlined in this Agreement. The funds will become available for your use in accordance with the schedule outlined in our Funds Availability Policy disclosure. Not all ATM terminals accept deposits.

Credit for each deposit made at an ATM is subject to verification of each item deposited in accordance with applicable law. Additional delays may occur resulting in a total of nine (9) business days’ delay if the Bank believes the verification process will take additional time and has reason to doubt the validity of a deposit. You will be notified if there is an additional delay in the availability.

### **ATM Card Point-of-Sale Transactions**

Consistent with applicable law and subject to restrictions described in this Agreement, you may use your ATM card with your PIN at any retail establishment where ATM cards are accepted to purchase goods and services and/or to obtain cash where permitted by the merchant. The amount of all purchases, including any cash obtained, will be deducted from your Primary Account.

### **Debit Card Point-of-Sale and Other Transactions**

Consistent with applicable law and subject to restrictions described in this Agreement, you may use your debit card to purchase goods and services everywhere Visa® debit cards are accepted and your debit card can be used to obtain cash from any ATM or any POS device, as permissible by a merchant that bears the Visa®, NYCE®, Plus®, Pulse®, or STAR® acceptance mark(s). The merchant may require your signature instead of your PIN to authorize the purchase request. The amount of all purchases, including any cash obtained, will be deducted from your Primary Account.

If you use your debit card number without presenting your card (such as for a mail order, telephone, or Internet purchase), the legal effect will be the same as if you used the card itself.

For security reasons, we may limit the amount or number of transactions you can make on your debit card. You may not use your debit card for illegal online gambling or any other illegal transaction.

When you make a purchase through the card network, we may place a hold on the funds in your Primary Account in the amount that may be necessary to cover the amount of the transaction. Please see the section titled “PREAUTHORIZATION HOLDS” for additional information.

### **Limitations on Frequency of Transactions and Cash Withdrawal Limits**

Frequency-of-use limitations are imposed on ATM transactions for security reasons and for the protection of your account. They are not disclosed for this reason and may be changed at any time. You will be denied the use of your ATM or debit card if:

- You exceed the daily ATM withdrawal or purchase limit;
- You do not have sufficient available funds in your account;
- You do not enter your correct PIN; or
- You exceed the limit on the number of times you can use your card each day.

The receipt provided by the ATM or merchant terminal will notify you of the denial. There is a limit on the number of such denials permitted, beyond which the machine may retain your ATM or debit card. The number of attempts that will cause the retention of your ATM or debit card is also not disclosed for security reasons.

Dollar limitations vary according to account type and Access Device and are detailed in the following table:

ATM/Debit Card Transaction Limits	ATM Card	Debit Card	
	ATM	ATM	Point of Sale
All Checking	\$500/day	\$500/day	\$1,500/day
All Savings	\$500/day	Debit Card Not Available	
All Premium Money Market	\$500/day	Debit Card Not Available	

#### Rules of Card Association (Visa®)

If you report the loss or theft of your Visa® debit card within 2 business days of when you discover the loss or theft of the card, and you have not been grossly negligent or have not engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen debit card, when used for signature-based POS transactions. If you do not advise us within 2 business days, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us.

#### Processing Procedures – Visa® Debit Card

If you have a Visa® debit card, procedures in effect may impact you when you use your card at certain merchants. In the past, transactions were processed as Visa® debit transactions unless you entered a PIN. Now, if you do not enter a PIN, transactions may be processed as either a Visa® debit transaction or a transaction processed by another network listed on the back of your card. Merchants are responsible for providing you with a clear way of choosing to make a Visa® debit transaction, if they support the option.

If a network other than Visa® is used when making a transaction without a PIN, different terms may apply. Certain protections and rights described in this Agreement are applicable only to Visa® debit transactions and do not apply to transactions processed by another network.

#### Preauthorization Holds

When your debit card or other network enhancement feature related to the card is used at a POS location to obtain goods or services or obtain cash, the merchant may attempt to obtain preauthorization from us for the transaction. We place a 10-business-day hold on your Primary Account for the amount of the preauthorization request, which may vary in some cases from the amount of the actual purchase, depending on the merchant's request. If the preauthorization request varies from the amount of the actual transaction, payment of the transaction may not remove the hold, which will remain on the account until the end of the tenth (10) business day. This hold may affect the availability of funds from your account to pay checks or for other electronic fund transfers. We will not be responsible for damages for wrongful dishonor of any items that are not paid because of the hold.

#### Preauthorized Debits or Credits ("ACH")

You may arrange to have certain recurring payments automatically deposited, i.e., credited to your account. Examples of this service include the direct deposit of Social Security and other government payments, and the direct deposit of your pay or wages.

You may arrange to have certain recurring withdrawals automatically paid, i.e., debited from your account. For example, you may arrange to have insurance premiums paid automatically.

These preauthorized transfers are governed by federal regulations pertaining to electronic fund transfer services that entitle you to certain protections.

Requests for these services must be authorized by you, in writing, to the originator of the transaction prior to becoming effective.

#### Electronic Check Conversion

You may authorize a merchant or other payee to make a one-time electronic payment from your checking or money market account using information from your check to:

- Pay for purchases
- Pay bills

#### Right to Stop Payments and Preauthorized Electronic Payments and How to Do So

If you have authorized regular payments out of your account, you can stop any of these payments by notifying us using the contact information appearing at the beginning of this Agreement. If you notify us by telephone, you may be required to confirm the information provided by writing to us at the address appearing at the beginning of this Agreement.

Your request must include your account number, the name of the payee, the amount of the item to be stopped, and the date payment was scheduled to be made. This request needs to be received by us 3 or more business days before the payment is scheduled to be made. Oral requests not confirmed in writing to us within 14 days are not binding upon the Bank. A stop-payment fee may be charged for each stop-payment and renewal order you request in accordance with our **Schedule of Fees**.

If you want to permanently revoke a recurring preauthorized electronic transfer you authorized from a third-party, you will need to request that the originating third-party cancel your preauthorized transfer in a manner they specify. If you then request us

to apply a stop payment on the revoked recurring transfer, we may ask you to provide us with a copy of evidence of your revocation request to the originating third-party and sign a "Stop Payment Form" request with us.

You are subject to the general rules of Stop-Payment Orders in this Agreement.

#### Stop-Payment Liability

If you order us to stop payment on any preauthorized transfer according to the requirements above and we fail to do so, we will be liable for your proven loss or damages, unless:

- You failed to give us enough information, proper instructions, or sufficient time to act on the stop-payment; or
- We do not receive written confirmation of your telephone or email request to stop payment within 14 calendar days, and the preauthorized transfer occurs after the 14 calendar days.

In any case, we will only be liable for actual proven damages if the failure to make your transaction resulted from a bona fide error on our part, despite our procedures to avoid such errors. If we pay a preauthorized transfer over your valid and timely stop order, we may re-credit your account. If we do this, you will sign a statement describing the dispute with the payee. You agree to transfer to us all of your rights against the payee. In addition, you will assist us in any legal action taken against the payee.

#### Notice of Varying Amounts

If authorized regular payments may vary in amount, the third-party you are paying will provide the payment amount at least 10 days before each payment, along with the payment date. Or you may receive notice according to other choices you may have made with the third-party you are paying.

#### Our Liability for Failure to Complete an Electronic Fund Transfer

If we fail to complete an electronic fund transfer transaction on time or in the correct amount when properly instructed by you, we will be liable for your losses or damages caused by our failure unless:

- 1) There are insufficient funds in your account to complete the transaction through no fault of ours. A fee may be charged in accordance with our **Schedule of Fees**;
- 2) The funds in your account are unavailable. A fee may be charged in accordance with our **Schedule of Fees**;
- 3) The funds in your account are subject to legal process;
- 4) The transaction you request would exceed the funds in your account plus any available overdraft credit. A fee may be charged in accordance with our **Schedule of Fees**;
- 5) The ATM system has insufficient cash to complete the transaction;
- 6) Your card has been reported lost or stolen and you are using the reported card;
- 7) We have a reason to believe that the transaction requested is unauthorized;
- 8) The failure is due to an equipment breakdown that you knew about when you started the transaction at an ATM or merchant terminal;
- 9) You attempt to complete a transaction at an ATM or merchant terminal that is not a permissible transaction listed above;
- 10) The transaction would exceed security limitations on the use of your ATM or debit card; or
- 11) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken.

In any case, we shall only be liable for actual proven damages if the failure to make the transaction resulted from an honest error despite our procedures to avoid such errors.

#### Fees and Charges

You will pay any applicable fees and charges we assess for your card services and/or other electronic services that you select. Applicable fees will be deducted from your account and appear on your account statement. These charges and fees are assessed in accordance with our **Schedule of Fees**.

We do not charge you a fee to use your card at an ATM within the United States or internationally, or to make a POS purchase. A fee may be assessed by the ATM owner for use of the ATM and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

You may be assessed a fee by the card association, for example Visa® or MasterCard®, for using your card at an ATM or making a POS purchase. These fees are assessed in accordance with the **Schedule of Fees**.

#### Confidentiality

We will disclose information about your account or the transactions you make to third parties:

- 1) Where it is necessary to complete transactions; or
- 2) To verify the existence and standing of your account with us upon the request of a third-party, such as a credit bureau or merchant; or
- 3) In accordance with your written permission; or
- 4) In order to comply with court, governmental, or administrative agency summonses, subpoenas, or orders; or
- 5) On receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act of 1978.

**Unauthorized Transfers and Consumer Liability**

Tell us AT ONCE if you believe your ATM or debit card and/or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning us at the phone number appearing at the beginning of this Agreement is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your ATM or debit card and/or PIN, you can lose no more than \$50 if someone used your ATM or debit card and/or PIN without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your ATM or debit card and/or PIN, and we can prove we could have stopped someone from using your ATM or debit card and/or PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code, or other means, tell us at once at the phone number appearing at the beginning of this Agreement. If you do not tell us within 60 days after the statement was mailed or made available to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

You may be required to confirm the information provided over the phone in writing, by writing to us at the address appearing at the beginning of this Agreement.

**Contact in the Event of an Unauthorized Transfer**

If you believe your ATM or debit card and/or PIN has been lost or stolen, telephone, write, or email us at the phone number or addresses appearing at the beginning of this Agreement.

You should also call us at that number or write to us at that address if you believe a transfer has been made using the information from your check without your permission.

**ATM/Debit Card Revocation**

You agree that your ATM or debit card remains the property of the Bank, shall be surrendered upon demand, and may be revoked or cancelled at any time.

**IF YOU DO NOT USE YOUR ATM OR DEBIT CARD FOR SIX (6) CONSECUTIVE MONTHS, IT MAY BE CANCELLED FOR SECURITY REASONS AND WILL BE UNUSABLE. THIS MAY OCCUR WITHOUT PRIOR NOTICE TO YOU.**

**Business Days**

For purposes of these disclosures, our business days are Monday through Friday. Saturdays, Sundays, and federal holidays are not considered business days.

**PIN and Password**

The PIN and Password are identification methods that are both personal and confidential. You are required to use your PIN with your ATM or debit card at an ATM or ATM merchant terminal. It is a security method by which we help you maintain the security of your account. Passwords are another security method that maintain the security of your account and the transactions you process online.

Therefore, you agree to take all reasonable precautions to protect the confidentiality of your PIN, Password, and/or other Access Device. As such, you agree you will not reveal your PIN, Password, or any other Access Device, to any person not authorized by you to use your ATM or debit card; not write your PIN or Password on your card or on any item kept with your ATM or debit card; and not leave a computer or mobile device unattended after you have logged on using your Password.

**Documentation**

Terminal Transfers

You can get a receipt at the time you make any fund transfer to or from your account at an ATM or POS terminal.

Confirmation of Preauthorized Credits

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the phone number appearing at the beginning of this Agreement to find out whether or not the deposit has been made.

Periodic Statements

You will receive a monthly account statement unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

**Errors or Questions and How to Contact Us**

In case of errors or questions about your electronic fund transfers, contact us as soon as you can using the contact information appearing at the beginning of this Agreement. You may be required to confirm the information provided verbally by writing to us within 10 business days.

If you think your statement or receipt is wrong, or if you believe an electronic fund transfer transaction was processed in error or was unauthorized, or if you need more information about a transfer listed on your statement or receipt, you must

contact the Bank no later than 60 days after we sent the first statement on which the problem or error appeared.

In your communication with us, please provide the following information:

- The account name, account number, and ATM or debit card number, if applicable;
- A description of the suspected error or the transfer about which you are unsure, why you believe there is an error, or why you need more information;
- The dollar amount of the suspected error; and
- The date of the suspected error.

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 provisionally 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 provide provisional credit.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, 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 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents we used in our investigation.

**UNAUTHORIZED PREAUTHORIZED DEBITS (“ACH”) FROM CONSUMER ACCOUNTS**

If you report to us that a preauthorized debit from your account was made without your authorization, we will ask you to complete and sign an “Affidavit of Unauthorized ACH” and return it to us to assist in our investigation.

**BILL PAYMENT AND PRESENTMENT**

The Bill Payment and Presentment Service may be offered for your account. The service will allow you to set up one-time or recurring payments for your payees. There is no limit on the number of bills you can pay each month. However, court-ordered alimony, child support, tax payments, or any other government related payments cannot be made through the Bill Payment and Presentment Service.

Bill Payment Transactions	Daily Limit
Individual transactions	\$9,999 / transaction
Total transactions	\$19,999 / day

**FUNDS TRANSFER SERVICE**

The Bank provides an electronic transfer service that allows you to securely transfer funds from an account at another financial institution or credit card to your account with us, and/or from your account with us to an account at another financial institution (“Funds Transfer Service”). Prior to use, you are required to register your external bank account and credit card for verification and security purposes. Once your Funds Transfer Service registration is active, please refer to the EXPEDITED FUNDS AVAILABILITY section of this Agreement to see when the funds will be available for your use in your account with us.

By using the Funds Transfer Service, you agree that the Bank will transfer funds through ACH services and that the transaction is subject to completion upon our final review and verification. You agree that such requests constitute your authorization for such transfers.

Your authorization is to remain in full force until the Bank has received written notification from you of its termination, you have electronically deleted a registered bank account or credit card from the Funds Transfer Service, or you have electronically cancelled an account and/or transfers from the Funds Transfer Service in such time and in such manner as to afford the Bank and the other financial institution a reasonable opportunity to act on it.

Use of the Funds Transfer Service may be subject to a fee in accordance with our **Schedule of Fees**.

The Funds Transfer Service may not be available for all account types. Please contact us for information on availability.

By using the Funds Transfer Service, you are certifying that credit cards used to transfer funds from, and the registered external accounts that you transfer funds to and from, are under the same ownership as the account with us. In the event the accounts are not titled the same or ownership among the transferring accounts changes, you will indemnify us for any losses incurred as a result of any transaction you initiate between these accounts that is later returned or is reported unauthorized. If any transfer you initiate is found to be unverifiable or cannot be completed for other reasons, you agree to hold us harmless for any loss resulting from the incomplete transfer. If a transfer is made from a third-party’s account or registered as an external deposit account, before we detect it, we may without notice to you, place those funds on hold and debit your account, and return the



funds to the third-party's account in the form of a bank check or funds transfer, once we have confirmed the funds cleared the external account.

If you use the Funds Transfer Service to transfer funds to or from an account that has multiple signers, you agree that each signer authorizes the other signers to (a) initiate the transfer of funds between your accounts with us, as permitted by the Funds Transfer Service, (b) register any external bank account or credit card, as permitted by the Funds Transfer Service, and (c) initiate the transfer of funds between your account(s) with us and any registered external bank account or credit card. This authority will cease only after we have received and have been given a reasonable amount of time to act on the appropriate documentation needed to change or remove the existing signers from the account. Each of the signers agrees to be jointly and severally liable to the Bank for any losses incurred as a result of the improper use of the Funds Transfer Service up to and including the transfer amount, any applicable fees, and any legal expenses.

Your funds transfer request will only be completed if you have sufficient funds in the account from which you wish to transfer funds and the accounts are linked for transfer capabilities. Funds transfer transactions are subject to dollar amount limitations, which are determined by us and may be set according to your account type and/or the type of funds transfer you are making. These limitations are set for security reasons and are not disclosed for that reason.

Transfers may be delayed based on the time of the transaction and the type of transfer you are making. For example, if you submit a request to transfer \$500 on Monday before 2:00 PM Eastern Time, you will have access to the funds on Friday morning. If you submit the request on Monday after 2:00 PM Eastern Time, you will have access to the funds on the following Monday morning.

The Bank reserves the right to limit the number of external accounts that can be linked to your account for purposes of transferring funds; to limit functionality of the Funds Transfer Service by imposing limits, holds, or other measures; and to close your account if unlawful activity is suspected or found.

## **OVERDRAFT PROTECTION THROUGH AUTOMATIC TRANSFERS**

### **General Information**

You may elect to have overdraft protection through automatic transfers from one or more designated savings or money market accounts by calling us at the telephone number appearing at the beginning of this Agreement. The designated account is known as a donor account ("**Donor Account**"). Your Donor Account will be used to prevent overdrafts in your selected account that may be caused by the following debit transactions: checks drawn on your account, pre-authorized electronic deductions, ATM and POS transactions, ACH debits, fees we charge, and other debit transactions you have selected for your account.

The amount transferred from your Donor Account will depend upon the amount of the debit transactions presented against insufficient funds and upon the available balance in the Donor Account. If the amount of available funds in your Donor Account exceeds the amount of debit transactions presented, then we will transfer the exact amount necessary from your Donor Account to cover all items presented. If the amount of debit transactions presented exceeds the amount of available funds in your Donor Account, then we will transfer the amount needed to pay the checks and other debit transactions that we can. Any remaining debit transactions will overdraw your account and may be paid or returned at our discretion and without prior notification. A fee may be assessed for any other debit transactions that overdraw your account in accordance with our **Schedule of Fees**.

### **Joint Accounts**

When you elect to use a deposit account as your Donor Account, and ownership is different from your checking account, you agree that all joint signers on the account may process transactions that overdraw the account prompting a transfer of funds from your Donor Account. You agree that you will hold the Bank harmless for any transfer from your Donor even if you did not originate or gain benefit from the transaction that caused the transfer from your Donor Account.

## **AUTOMATED TELEPHONE AND INTERNET BANKING AND TRANSFER SERVICES**

### **Automated Telephone Banking and Transfer Service**

You may access your account through our automated telephone banking and transfer service ("**Telephone Banking Service**") by using a touch-tone telephone, your account number, and your Telephone Banking Service personal identification number ("**Telephone Banking PIN**"). Your account number and Telephone Banking PIN act as your signature to authorize any requested transactions through the Telephone Banking Service.

You may use our Telephone Banking Service to:

- Obtain current account balances and transaction information for checking, savings, money market, and loan or line of credit accounts
- Transfer funds among checking, savings, and money market accounts
- Transfer funds from a checking, savings, or money market account to make a loan or line of credit payment
- Change your Telephone Banking PIN

For transfer transactions, your request will only be completed if you have sufficient funds in the account from which you wish to transfer funds, the accounts are linked

for transfer capabilities, and the Telephone Banking PINs on both accounts are identical.

Transfers are limited to \$10,000 or less. Transfer requests made after 4:00 PM Eastern Time on a business day, or any time on a non-business day, may not be completed until the following business day.

### **Internet Banking and Transfer Service**

You may access your account through our Internet banking and transfer service ("**Internet Banking Service**") by entering your User ID and Password. The User ID and Password act as your signature to authorize any requested transactions through the Internet Banking Service.

You may use our Internet Banking Service to:

- Obtain current account balances for checking, savings, or money market accounts
- Obtain transaction information for checking, savings, and money market accounts
- Transfer funds among checking, savings, and money market accounts
- Obtain statements and check images
- Pay bills using our optional Bill Payment Services (fees may be assessed in accordance with our **Schedule of Fees**)
- Transfer funds from a line of credit to a checking, savings, or money market account
- Make a loan payment from a checking, savings, or money market account
- Place stop payments on checks (fees may be assessed in accordance with our **Schedule of Fees**)

For transfer transactions, your request will only be completed if you have sufficient funds in the account from which you wish to transfer funds and the accounts are linked for transfer capabilities. Dollar limitations may be set according to the account type and/or the type of online transfer service you are utilizing to transfer funds. These limitations are set for security reasons and are not disclosed for that reason. Transfers may be delayed based on the time of transaction and the type of transfer service you are utilizing to process the transfer.

### **IF YOU HAVE NOT LOGGED ON TO VIEW YOUR ACCOUNT(S) FOR A PERIOD OF AT LEAST 90 DAYS, YOUR ACCESS TO THE INTERNET BANKING SERVICE MAY BE SUSPENDED WITHOUT PRIOR NOTICE TO YOU.**

**If your access to the Internet Banking Service is suspended and you are a registered Bill Payment user, your Bill Payment Service will also be suspended.** To avoid interruption to your Internet Banking Service and Bill Payment Service, please log on to view your account(s) online at least once every ninety (90) days.

## **EXPEDITED FUNDS AVAILABILITY**

### **Funds Availability Policy**

Information contained in this section is to assist you in understanding our Funds Availability Policy. All deposits into accounts are processed at a Bank processing facility.

### **General Policy**

The Bank's policy is to review each deposit and determine how the funds are being deposited. We make the funds available according to the type of deposit and when the funds are applied, or credited, to your account. Some types of deposits may not be available for immediate use. When we delay the availability of funds or place a hold on a deposit made to your account, you may not withdraw those funds, and we will not use them to pay any checks or other debits, such as ACH withdrawals or wire transfers, during the hold period. We have the right to refuse any deposit.

If final payment is not received on any item you deposited to your account, or if any direct deposit, ACH deposit, or electronic fund transfer to your account is returned to us for any reason, you agree to pay us the amount of the returned item plus any fee in accordance with our **Schedule of Fees**.

### **Availability**

The length of delay in the availability of funds varies depending on the type of deposit. Special rules may apply to new accounts.

### **Business Days and Banking Days**

The length of delay in the availability of funds is counted in business days from the day your deposit is applied to your account. For purposes of determining the availability of your deposits, every day is a "business day" except Saturday, Sunday, and federal holidays. A "banking day" is any business day (up to the Bank's cut-off hour) when we are open for substantially all banking activities. If your deposit is received in our Operations Center before 3:00 PM Eastern Time on a business day or 7:00 PM Eastern Time on a business day for mobile or remote scanned deposits (if available), we will consider that day to be the day of your deposit. Any deposits received by us after these times will be considered made on the next business day we are open.

### **Same-Day Availability**

Funds from wire transfers, online transfers between accounts at the Bank (both accounts must be at the Bank), automated telephone transfers between accounts at the Bank, preauthorized electronic payments such as payroll direct deposits, or

other preauthorized electronic payments received through the Automated Clearing House network (ACH) will be available on the day the deposit is applied to your account.

Funds from customer-initiated credit card and customer-initiated electronic payments will be applied to the account when the Bank has verified the external account and received payment in collected funds.

Once the funds are applied to the account, they will have same-day availability.

#### Next-Day Availability

Funds are available on the first business day after the banking day of deposit for:

- Checks drawn on a bank in the United States, including:
  - Personal and business checks
  - State and local government checks
  - Treasurer's/Cashier's/Teller's checks
  - Certified checks
  - Federal Reserve Bank checks
  - Federal Home Loan Bank checks
  - U.S. Postal Service money orders
  - U.S. Treasury checks
  - Checks drawn on the Bank

#### ATM Deposits

Cash, checks and other items deposited at an ATM will be available on the fifth business day after the banking day the deposit is applied to your account.

Credit for each deposit made at an ATM is subject to verification of each item deposited in accordance with applicable law. Not all ATMs accept deposits.

#### Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You or we redeposit a check that has been returned unpaid.
- You have overdrawn your account\* repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

\*This includes all accounts you have with us having a negative balance on six or more banking days within the preceding six months, or, has a negative balance of \$5,525 or more on two or more banking days in the preceding six months.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the banking day of your deposit.

If you need to be sure when a particular deposit will be available for withdrawal, please contact us at the telephone number appearing at the beginning of the Agreement.

#### Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open:

- Funds from electronic direct deposits to your account will be available on the day we receive the deposit.
- Funds from deposits of wire transfers, U.S. Treasury checks, and checks drawn on the Bank will be available on the first business day after the day of your deposit.
- Funds from deposits of other checks drawn on a bank in the United States to include cashier's, certified, teller's, traveler's and federal, state and local government checks will have the first \$5,525 available on the second business day after the day of your deposit, and the excess over \$5,525 will be available on the ninth business day after the day of your deposit.
- Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

## **CANCELLED AND SUBSTITUTE CHECKS (CHECK 21)**

As banks process checks electronically, we are required by law to provide the notices in this section which explain the difference between your original check and a substitute check, and certain rights regarding substitute checks.

#### Cancelled Checks

Your cancelled checks may not be returned to you with your monthly statement. If permitted, your cancelled checks may be available to you online for a limited period of time, typically limited to 60 days after the statement in which the check appears is made available. Images of cancelled checks will be made available to you at your request. Fees may be assessed in accordance with our **Schedule of Fees**. Our liability, if any, for failure to make an image of a cancelled check available to you will not exceed the amount of the check.

#### Substitute Checks

Some or all of the check image copies that you receive back from us upon request may be substitute checks. This notice describes substitute checks and the rights you have when you receive substitute checks from us. The rights in this section do not apply to original checks or to electronic debits to your account.

#### What is a Substitute Check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." A substitute check may be used as proof of payment just like the original check.

#### Rights Regarding Substitute Checks

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, we may provide you credit up to \$2,500 of your refund (plus interest, if your account earns interest) within 10 business days after we received your claim, and the remainder of your refund (plus interest, if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

#### How Do I Make a Claim for a Refund?

If you believe you have suffered a loss relating to a substitute check that you received and that was posted to your account, please promptly contact us using the contact information appearing at the beginning of this Agreement. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. You may be required to confirm the information provided by writing to us within 10 business days.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

## **MOBILE DEPOSITS**

Mobile deposit service, which may or may not be available to you, allows you to make deposits to your Deposit Account remotely by taking a picture of check(s) and transmitting images of such checks to us in compliance with our requirements. If we accept the image for collection, we will then attempt to collect the item by presenting the image or converting the image to a substitute check. Unlike traditional check deposits as discussed above, you retain the original paper check when you use mobile deposit. The manner in which these substitute checks or images are cleared, presented for payment, and collected will be determined by us in our sole discretion. We may change, modify, add, or remove functionality from the mobile deposit service at any time, with or without notice to you.

#### Mobile Deposit Fees

There is no charge for mobile deposit, but other fees, such as for deposited items that are returned may apply. See our **Schedule of Fees**.

#### Mobile Deposit Eligibility; Termination of Account Relationship

We will determine whether you are eligible for the mobile deposit service in our sole discretion. If you violate the terms of this Agreement, or of the mobile deposit service, then we also may use such actions as a basis to terminate your account relationship with us.

#### Limits

We may impose limits on the dollar amount or number of deposits you make through mobile deposit, and we may change such limits at any time at our discretion. These limits are \$3,000 per check with a daily maximum of \$3,000. Limits may be changed based on the length of time the account has been open and account activity.

### Funds Availability

We generally make funds available for checks deposited through remote deposit capture or mobile deposit (if available) in accordance with the terms of our Funds Availability Policy disclosures. Please refer to the "EXPEDITED FUNDS AVAILABILITY" section of this Agreement to see when the funds will be available for your use.

### Prohibited Checks

We may decline to accept any image of a check you submit through mobile deposit at our sole discretion. You agree that you will not attempt to deposit any of the following:

- 1) Checks payable to any person or entity other than you, i.e., third-party checks;
- 2) Checks containing alterations, illegible items, fraudulent checks, or checks that you should have known or have reason to believe were fraudulent;
- 3) Checks that have been previously deposited at the Bank or another institution via physical item, image, or electronic funds transfer;
- 4) Checks from financial institutions located outside of the United States;
- 5) Checks that are not payable in U.S. dollars;
- 6) Checks that are more than six (6) months old;
- 7) Substitute checks (a digital reproduction of the front and back of an original check);
- 8) Remotely created checks (a check created by a merchant with a buyer's checking account number on it, but without the buyer's original signature);
- 9) Travelers checks and savings bonds;
- 10) Non-negotiable instruments, such as promissory notes;
- 11) Checks drawn on any of your account(s) at the Bank; or
- 12) Starter checks or counter checks (checks from a teller window).

### Accountholder's Warranties

You will comply with all applicable rules, laws, and regulations. Each time you submit check images for deposit through the mobile deposit service, you also make all the warranties set forth in and subject to the terms of the South Dakota Uniform Commercial Code ("UCC") for the image as if it were an item subject to the terms of the UCC. You make the following warranties and representations with respect to each image of an original check you transmit using the mobile deposit service:

- 1) Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check (at the time it was transmitted), without any alteration, and the drawer of the check has no defense against payment of the check.
- 2) The amount, the payee, signature(s), and endorsement(s) on the original check are legible, genuine, and accurate.
- 3) You are only transmitting eligible checks and items you are entitled to enforce.
- 4) All checks and items include all signatures required for their negotiation.
- 5) You are using the service only for your own deposits and have not allowed the use of the service for the benefit of any third-party.
- 6) Other than the digital image of an original check that you remotely deposit through our service, there are no other duplicate images of the original check.
- 7) You have possession of each original check deposited using the service.
- 8) You have ensured that each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- 9) You are authorized to enforce each item transmitted or are authorized to obtain payment of each item on behalf of a person entitled to enforce such transmitted item.
- 10) The information you provided for your Deposit Account remains true and accurate; and, in the event any such information changes, you will immediately notify us of the change.
- 11) You have communicated material information to us.
- 12) Files and images transmitted to us contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

Further, you agree that with respect to each image of an original check you transmit using the mobile deposit service:

- 1) You will not deposit, re-present, negotiate, seek to negotiate, or otherwise endorse to a third-party 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.
- 2) No party will submit the original check for payment.

### Endorsement on Checks Deposited Through Mobile Deposit

Before depositing the check, you agree to endorse the check in the same manner in which it is made payable to you and with the restrictive endorsement of "For Mobile Deposit Only to account # \_\_\_\_\_" and listing your account number or in any other manner as instructed by us.

### Receipt of Check

We are not responsible for check images we do not receive or that are dropped during transmission. A check image will be deemed received by us only when we provide an online confirmation receipt to you that we have received your check image. When we confirm receipt of your check image, the image will still be subject to review before we submit it for collection and may still be rejected for any reason in our sole discretion. A confirmation is not a representation, warranty, or other indication that the check image will be presented for collection or will be honored by any collecting or paying bank.

### Rejection of Check

If we reject a check image received through the mobile deposit service, then you may submit the original check by mail to us for processing unless we instruct you otherwise, or you may want to contact the drawer and have them reissue the check. If you do submit the original check for processing, we reserve the right to refuse to process it and may instead require you to have the check reissued.

### Retention of Original Check

Once your check image has been credited to your account, you must mark the original check as "VOID" and retain the check for 60 days. You may not present the original check or any image or substitute check created from the original check for payment at any other financial institution. During this 60-day period, you must store the original paper check securely using precautions at least as secure as those you would use to protect a blank check, and you must make the original paper check available to us for review at any time and as necessary for us to facilitate the clearing and collection process, to address third-party claims or for our own audit purposes. Should you fail to produce the original paper check, you authorize us to deduct the amount of the check in question from your account, regardless of whether such action may cause your account to not have sufficient funds and to pay any associated fees. Immediately after this 60-day period, you must destroy the original paper check.

### Maintenance

Maintenance to the mobile deposit service may be performed from time-to-time resulting in interrupted service, delays, or errors in the mobile deposit service and we shall have no liability for any such interruptions, delays, or errors. Attempts to provide prior notice of scheduled maintenance will be made, but we cannot guarantee that such notice will be provided.

### Indemnification

In addition to the other indemnification provisions set forth in this Agreement, you agree to indemnify, defend, and hold us harmless from and against any and all claims, demands, damages, liabilities, expenses (including reasonable attorneys' fees), or other loss that arises from or relates to your use of the mobile deposit service or your breach of the representations, warranties, or covenants set forth in these terms, including, without limitation, your attempt to duplicate the presentation of a check image via presentation of the original check or an image or substitute check derived from the original check and any liability that we may incur for processing an image or substitute check rather than the original paper check.

### No Warranty

**YOUR USE OF THE MOBILE DEPOSIT SERVICE AND REMOTE CHECK CAPTURE IS AT YOUR SOLE RISK. THE SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND AS TO REMOTE CAPTURE, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.**

### Limitation of Liability

WE WILL NOT BE LIABLE FOR ANY DIRECT, SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR REVENUES RESULTING FROM YOUR USE OR INABILITY TO USE THE MOBILE DEPOSIT SERVICE AND REMOTE CHECK CAPTURE SERVICE, EVEN IF WE ARE ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

## **DISPUTE RESOLUTION: ARBITRATION**

### Purpose

This Arbitration Provision sets forth the circumstances and procedures under which claims (as defined below) may be arbitrated instead of litigated in court.

### Definitions

As used in this Arbitration Provision, the term "Claim" means any claim, dispute, or controversy between you and us arising from or relating to this Agreement as well as any related or prior agreement that you may have had with us or the relationships resulting from this Agreement, including the validity, enforceability, or scope of this Arbitration Provision or the Agreements. "Claim" includes claims of every kind and nature, including, but not limited to, initial claims, counterclaims, cross-claims and third-party claims and claims based upon contract, tort, fraud and other intentional torts, statutes, regulations, common law and equity. The term "Claim" is to be given the broadest possible meaning that will be enforced and includes, by way of example and without limitation, any claim, dispute, or controversy that arises from or relates to (i) your account, or the debit cards of any additional authorized users designated by you; (ii) the amount of available funds in the accounts; (iii) advertisements, promotions, or oral or written statements related to the account, goods, or services purchased with the debit cards, checks, or other electronic means; and (iv) the benefits and services related to the account. We shall not elect to use arbitration under the Arbitration Provision for any Claim that you properly file and pursue in a small claims court of your state or municipality, so long as the Claim is individual and pending only in the court.

As used in the Arbitration Provision, the terms "we" and "us" shall for all purposes mean the Bank, wholly or majority owned subsidiaries, affiliates, licensees, predecessors, successors, and assigns; and all of their agents, employees, directors, and representatives. In addition, "we" or "us" shall include any third-party using or providing any product, service, or benefit in connection with any account

(including, but not limited to, merchants who accept the debit card tied to the account, third parties who use or provide services, debt collectors, and all of their agents, employees, directors, and representatives) if, and only if, such third-party is named as a co-party with us (or files a Claim with or against us) in connection with a Claim asserted by you.

As solely used in this Arbitration Provision, the terms “you” or “yours” shall mean all persons or entities approved by us to have and/or use the account, including, but not limited to, all persons or entities contractually obligated under any of the Agreements and all additional authorized users.

#### **Initiation of Arbitration Proceeding/Selection of Administrator**

Any Claim shall be resolved, upon the election by you or us, by arbitration pursuant to this Arbitration Provision and the code of procedures of the national arbitration organization to which the Claim is referred in effect at the time the Claim is filed. Claims shall be referred to either Judicial Arbitration and Mediation Services (“JAMS”) or the American Arbitration Association (“AAA”), as selected by the party electing to use arbitration. If a selection by us of one of these organizations is unacceptable to you, you shall have the right within 30 days after you receive notice of our election to select the other organization listed to serve as arbitration administrator.

For a copy of the procedures, to file a Claim, or for other information about these organizations, contact them as follows: (i) JAMS at 1920 Main Street, Suite 300, Los Angeles, CA 92614 (www.jamsadr.com); or (ii) AAA at 335 Madison Avenue, New York, NY 10017 (www.adr.org).

#### **Significance of Arbitration**

**IF ARBITRATION IS CHOSEN BY ANY PARTY WITH RESPECT TO A CLAIM, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR HAVE A JURY TRIAL ON THAT CLAIM, OR TO ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE CODE OF PROCEDURES OF JAMS OR THE AAA, AS APPLICABLE (THE “CODE”). FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A REPRESENTATIVE CAPACITY OR AS A MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION. EXCEPT AS SET FORTH BELOW, THE ARBITRATOR’S DECISION WILL BE FINAL AND BINDING. NOTE THAT OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT ALSO MAY NOT BE AVAILABLE IN ARBITRATION.**

#### **Restrictions on Arbitration**

If either party elects to resolve a Claim by arbitration, that Claim shall be arbitrated on an individual basis. There shall be no right or authority for any Claims to be arbitrated on a class action basis or on bases involving Claims brought in a purported representative capacity on behalf of the general public, other account holders, or other persons similarly situated. The arbitrator’s authority to resolve Claims is limited to Claims between you and us alone, and the arbitrator’s authority to make awards is limited to you and us alone. Furthermore, Claims brought by you against us or by us against you may not be joined or consolidated in arbitration with Claims brought by or against someone other than you, unless otherwise agreed to in writing by all parties.

#### **Location of Arbitration/Payment of Fees**

Any arbitration hearing that you attend shall take place in the federal judicial district of your residence. At your written request, we will consider in good faith making a temporary advance of all or part of the filing, administrative, and/or hearing fees for any Claim you initiate as to which you or we seek arbitration. At the conclusion of the arbitration (or any appeal thereof), the arbitrator (or panel) will decide who will ultimately be responsible for paying the filing, administrative, and/or hearing fees in connection with the arbitration (or appeal). If and to the extent you incur filing, administrative, and/or hearing fees in arbitration, including for any appeal, exceeding the amount they would have been if the Claim had been brought in the state or federal court that is closest to the mailing address we have in our records and would have had jurisdiction over the Claim, we will reimburse you to that extent unless the arbitrator (or panel) determines that the fees were incurred without any substantial justification.

#### **Arbitration Procedures**

This Arbitration Provision is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16, as it may be amended (the “FAA”). The arbitration shall be governed by the applicable Code, except that (to the extent enforceable under the FAA) this Arbitration Provision shall control if it is inconsistent with the applicable Code. In conducting the arbitration proceeding, the arbitrator shall not apply the federal or any state rules of civil procedure or rules of evidence.

Either party may submit a request to the arbitrator to expand the scope of discovery allowable under the applicable Code. The party submitting such a request must provide a copy to the other party, who may submit objections to the arbitrator with a copy of the objections provided to the requesting party, within 15 days of receiving the requesting party’s notice. The granting or denial of such request will be in the sole discretion of the arbitrator who shall notify the parties of his/her decision within 20 days of the objecting party’s submission.

The arbitrator shall take reasonable steps to preserve the privacy of individuals and business matters.

Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator’s decision will be final and binding, except for any right of appeal provided by the FAA. However, any party can appeal that award to a three-arbitrator panel administered by the same arbitration organization, which shall consider anew any aspect of the initial award objected to by the appealing party. The appealing party shall have 30 days from the date of entry of the written arbitration award to notify the arbitration organization that it is exercising the right of appeal. The appeal shall be filed with the arbitration organization in the form of a dated writing. The arbitration organization will then notify the other party that the award has been appealed. The arbitration organization will appoint a three-arbitrator panel that will conduct arbitration pursuant to its Code and issue its decision within 120 days of the date of the appellant’s written notice. The decision of the panel shall be by majority vote and shall be final and binding.

#### **Continuation**

This Arbitration Provision shall survive termination of your account as well as voluntary payment of any debt in full by you and any legal proceeding by us to collect a debt owed by you. If any portion of this Arbitration Provision is deemed invalid or unenforceable under any principle or provision of law or equity, consistent with the FAA, it shall not invalidate the remaining portions of this Arbitration Provision, the Agreement or any prior agreements you may have had with us, each of which shall be enforceable regardless of such invalidity.

Banking services provided by:  
The Bancorp Bank, N.A. Member FDIC.  
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