



**Business Bank Master Online Agreement
The Stephenson National Bank & Trust**

This Business Bank Master Online Agreement along with its related Schedules (collectively, the “Agreement”) is between The Stephenson National Bank & Trust (the “Bank,” “us,” “we,” or “our”) and the undersigned company or companies (the “Company,” “you,” or “your”) effective the date the Agreement is accepted online.

ELECTRONIC AUTHORIZATION

In order to sign up for online banking, the Bank must obtain your consent to the receipt of certain disclosures and agreements in electronic format. These documents contain the terms and conditions that will apply to the online banking services. Additionally, by using the online service, you hereby consent to have future notices regarding your account(s) and relationship(s) with the Bank provided to you electronically only. Some examples of such notices, without limitation, are a change in terms notice of a fee and the Bank's annual privacy policy. You may withdraw your consent to have future notices provided or made available only in electronic format by calling us at 715-732-1732, or writing us at The Stephenson National Bank & Trust, 1820 Hall Ave, PO Box 137, Marinette, WI 54143. If you change your email address in the future, you must update your contact information. To access and view electronic disclosures and agreement, you will need Internet access and a computing platform that supports the Bank's system. The Bank's technical requirements can be found on our website at www.snb.com. Notwithstanding this consent, the Bank retains the right to send any notices by regular mail. You acknowledge that you understand and consent to the foregoing.

RECITALS

This Agreement governs the provision of the Bank's online and electronic banking services to Company. By using the Service, you acknowledge that you understand and agree to the terms and conditions herein as well as the terms and conditions found in our Security Schedule, as amended from time to time. You agree to access and use the Services (as defined below) only for business purposes and that each access or use of the Services constitutes acceptance, and is subject to the terms and conditions, of this Agreement.

AGREEMENTS

1. DEFINITIONS

For purposes of this Agreement, the following words and phrases have the meanings indicated below.

- 1.1 “Account Agreement” means the Deposit Account Agreement between the Company and the Bank, which governs the Company’s Accounts that can be accessed online and was provided to the Company when it opened the Accounts, and any other documents governing the Company’s Accounts.
- 1.2 “ACH” means Automated Clearing House.
- 1.3 “Agreement” means this Business Bank Master Online Agreement, including all applications, schedules, and agreements referenced herein.
- 1.4 “Applicable law” means the laws of the United States, including without limitation, any applicable federal and state laws and regulations, such as the Internal Revenue Code, requirements imposed by the Federal Reserve Bank (FRB), the operating rules of networks, associations and systems, such as the rules of the National Automated Clearing House Association and any regional ACH that we may use from time to time to provide the Services, and any OFAC requirements, each as amended from time to time.
- 1.5 “ATM transactions” means automated teller machine transactions.
- 1.6 “Account” or “Authorized Account” means any commercial savings, deposit, loan, or other account(s) maintained by Bank and titled in the name of Company. Accounts you wish to connect to the Services should be listed within Schedule B.
- 1.7 “Authorized User” means any person designated to access or use any Service on the Company’s behalf. For purposes of this Agreement, "Authorized User" includes the System Administrator.



- 1.8 “Business Day” means Monday through Friday. Saturdays, Sundays and federal holidays (as referenced in Schedule D) are excluded.
- 1.9 “Computer” means a computer, all software and necessary telephone lines, Internet or other connections and equipment used to access the Services.
- 1.10 “e-Statements” means an electronic version of your account statement, viewed through Business Bank Online.
- 1.11 “EFTPS” means Electronic Federal Tax Payment System.
- 1.12 “E-mail” means electronic mail.
- 1.13 “OFAC” means the Office of Foreign Asset Control.
- 1.14 “Password” means the Bank generated code we send to you for your System Administrators or any Authorized User to use for the initial sign-on and the codes selected by your System Administrator or any Authorized User after the initial sign-on that establish a connection to the Services.
- 1.15 “POS transactions” means Point of Sale transaction, meaning any transactions performed with a debit / ATM card.
- 1.16 “Schedules” refers to agreements related to specific online and electronic Services, incorporated as applicable with and into this Agreement. Schedules are available to you upon request.
- 1.17 “Service” or “Services” refers to all online, mobile and electronic banking services (each a “Service”) made available to Company by the Bank, including, without limitation, those Services referenced in Section 8 of this Agreement.
- 1.18 “System Administrator” means the person that the Company designates as its authorized representative to act on the Company’s behalf with respect to the Services. In order to be a System Administrator for purposes of this Agreement, an individual should be a signer on all Accounts, unless the Bank agrees otherwise.
- 1.19 “User Name,” “User ID” or “Access ID” means the log in name used to access the Services.
- 1.20 “We”, “us”, or “our” means the Bank and any third party service provider that the Bank, in its sole discretion, involves in the provision of the Services.
- 1.21 “You” or “your” means the Company or any delegated agent, Authorized User or any assignee of or successor in interest to Company, whether acting on Company's behalf or under Company's direction.

2. AGREEMENT

This Agreement provides guidelines for electronic access to your Accounts. You understand that by using the Services or by permitting any other person to use the Services, you hereby agree to the terms and conditions of this Agreement and any related attachments, addenda or schedules. The terms and conditions of this Agreement are in addition to any terms and conditions in the Account Agreement, deposit account rules and regulations, schedule of services and disclosures for each of your Accounts, as well as other agreements with us, including any loan agreements between you and us.

Further terms relating to a specific Service may be contained in the corresponding Schedule relating to such Service. Service terms and conditions will be deemed accepted by you upon use of the Service by you. With respect to any Service being provided by us to you at the time this Agreement is entered into, unless otherwise agreed in writing with reference hereto, this Agreement and the relevant Service Schedule(s) shall supersede any prior agreement relating to that Service. In the event of any conflict between this Agreement and any Service Schedule, the Service Schedule shall prevail with respect to that particular Service.

3. COMPANY CERTIFICATION; COMPLIANCE WITH LAWS, RULES AND REGULATIONS

You represent and warrant, as of the date this Agreement is entered into and at the time the Services are used, that: (a) the Company is validly existing and in good standing under the laws of the jurisdiction of its organization; (b) the Company has all requisite power and authority to execute and deliver, and to perform its obligations under, this Agreement and the Services used by it; (c) this Agreement has been duly authorized and executed by the Company and constitutes its legal, valid and binding obligation; and (d) any consent or authorization of any governmental authority or third party required to be obtained by the Company in connection with this Agreement or the Services has been obtained.

You agree not to use the Services in violation of any applicable laws, rules or regulations. Without limiting the foregoing, you agree not to use the Services in violation of federal sanctioned laws administered by OFAC. You agree to indemnify, defend and hold us harmless from any action or inaction by you in violation of any provision of this paragraph. We may act



(or refuse to act) at any time and from time to time in a manner deemed by us in good faith to be appropriate or required under any law, rule or regulation applicable to us, and you agree that we will not be liable for any harm suffered by you as a result of such action or inaction.

We shall be excused from delaying or failing to execute a transaction through the Services if it would result in the Bank's exceeding any limitation on its intraday net funds position established through Federal Reserve guidelines or if it would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of other governmental regulatory authorities.

4. REGISTRATION FOR SERVICES

To register for new Services or amend current Services, designate authorities for the System Administrator, or update access to Accounts, a Business Bank Online Company Set up Form and / or other related documents may be signed by the representative that executes the Business Bank Online Resolution (Schedule C to this Agreement) or a certified representative documented by the board resolutions, board minutes, LLC documents, or Partnership documents from your governing body, as applicable. Your completed application and other required documents must be reviewed and approved by us. We reserve the right to reject your application or other required documents or to refuse you access to or use of the Services for any reason and in our sole discretion.

5. AVAILABILITY OF SERVICE

The Service will be accessible 24 hours a day, 7 days a week, except during any special or scheduled maintenance periods or interruption or delay due to causes beyond our control. The Services availability is at all times conditioned upon the corresponding operation and availability of those computer services and systems used in communicating Company's instructions and requests. **We are not liable under this Agreement for any damages for any failure to provide access to the Services at any time.**

Except as otherwise disclosed in this Agreement or any Schedule, if you make a deposit or request a transaction or transfer before 8:00 pm Central Time ("CT") on any Business Day that we are open, we will consider that day to be the day we receive your transaction, unless we tell you otherwise. If you make a deposit or request a transaction or transfer after 8:00 pm CT on any Business Day or at any time on any day that is not a Business Day, we will consider your deposit or request to be received by us on the next Business Day we are open. Funds will be made available to you in accordance with our funds availability policy, a copy of which was included with your Account Agreement.

6. ACCESS TO SERVICES

To access or use the Services, you will need to satisfy the following requirements and any other requirements we may impose from time to time:

- 6.1 Computer Requirements. You will need to provide, at your own expense, a computer and an e-mail address. Your computer must, at a minimum, have a browser with capabilities to support a minimum of 128-bit encryption. You are responsible for the installation, maintenance and operation (including upgrades) of the computer and all related charges. We may, in our sole discretion, require upgrades to use the Services at any time. We are not responsible for any losses, damages, errors or failures caused by any malfunction of the computer, any computer virus or other software or hardware device that may cause problems or a breach to security that may be associated with access to or use of the Services. We also are not responsible for any losses or delays in transmission of information you provide to us or otherwise arising out of the use of any Internet or other service provider providing your connection to the Internet or any browser software.
- 6.2 User Names/Access IDs & Passwords. You may access the Services from our web site located at www.snbt.com or any web site that we may designate pursuant to the notice provisions of this Agreement using the User Names/Access IDs and Passwords. More information related to accessing the Services can be found in the Security Schedule.



- 6.3 Online Account Funds. When you ask us to transfer funds or to perform any other Service, you represent that you have sufficient available funds in your Account or available credit, as applicable, to cover the amount of the transfer or other Service. In accordance with the Account Agreement that you received at Account opening, you must maintain sufficient available funds in your Accounts in connection with your access to and use of the Services, unless you have a line of credit attached to your Accounts. If you have a line of credit attached to your Accounts, no transfer or other Service may exceed the sum of your available funds in your Accounts plus your available credit. Regardless of whether you have a line of credit attached to your Accounts, we may issue a transfer of funds or perform another Service even if such action causes one or more of your Accounts to be overdrawn. We may debit any overdraft charges or other related charges from the affected Account (or any other Account you maintain with us) if necessary. If we are unable to complete a transfer or perform any other Service for any reason (including but not limited to lack of funds) in our sole discretion, we may, but are not required to, notify you, unless we are required to do so by applicable law. We will not be liable to you or any third party if we choose to (or choose not to) transfer funds or to perform the Services.

7. ACCOUNT OWNERSHIP AND USE

Access to the designated Accounts through the Services will be based upon the identification of Authorized Persons and authority levels as specified by you and your System Administrator. You represent that each person who has been given the Company's User Names/Access IDs and Passwords, including each Authorized User and System Administrator, has your general authority to conduct transactions using the Services (including general authority over the movement of your funds and over designated Accounts with us), and that we have full authorization from you to rely and act upon transactions conducted by such persons. You agree that we may send all notices and other communications, including User Names/Access IDs and Passwords, to the contact information then appearing in our records, whether or not that address is an email address or includes a designation for delivery to the attention of any particular individual. You further agree that we will not be responsible or liable to you in any way if information is intercepted by an unauthorized person either in transit or at your place of business.

8. BUSINESS BANK ONLINE SERVICES

By accessing the Services with the User Names/Access IDs and Passwords, the following Services are available to you, subject to change in our sole discretion. If you elect to use any of the Services, you hereby agree to abide by the terms and conditions of all related Schedules, procedural guidelines and similar materials. Since some of the Services are provided through third party providers, the Bank cannot guarantee that they will be acted upon promptly. Bank will proceed with these requests in a commercially reasonable manner.

- 8.1 Authorized Account Access: You may obtain Account information, such as balance and summary information, available funds information and information about prior Business Day cleared transactions and ATM and POS transactions for the current and previous statement period. If enrolled for eStatements, you will be able to access the last 18 statements. With the exception of commercial loans, this information generally will be current as of the time you access your Accounts using this feature of the Services.
- 8.2 Internal Transfers/Loan Transfers: You may transfer funds among your Accounts, including making one-time transfers or scheduling future, recurring or automatic transfers between your Accounts, except if your Account is a certificate of deposit account or a letter of credit. You may also transfer funds from any Account that is a business/commercial checking account, savings or money market deposit account. In addition if you have been granted access, you may make payments to or advances from any authorized loan/line of credit accounts. **We may from time to time and in our sole discretion refuse to issue, or limit the number or amount of, funds transfers you may request using this Service.**

Because federal regulations require us to limit the number of preauthorized, automatic or telephone transfers (including transfers made with this Service) on certain types of deposit accounts, you can make no more than 6 transfers per statement period from any Account that is a savings or money market deposit account by preauthorized, automatic or telephone transfer to your other Accounts or third parties.



- 8.3 **Stop Payments:** You can use the Services to initiate a stop payment request online for any check drawn against any of your Accounts. You warrant that the information describing the check, including the check date, the exact amount, the check number and the payee are correct. You are responsible for verifying that the check has not already been paid. You understand that your stop payment request is conditional and subject to verification that the check has not already been paid or that some other action to pay the check has not been taken. We are not responsible for stopping payment unless we receive your stop payment request within a reasonable time for us to act on it. More information regarding stop payments can be found in the Account Agreement you received when the Account was opened.

A stop payment request against a check is effective only against the check that is identified as described above. A stop payment request will be valid for 6 months, unless you renew your request in writing before the expiration of this time period. Otherwise, if you do not timely renew your request in writing and the check is presented to us for payment following the expiration of this time period, we may pay the check without liability. A stop payment placed through the Services serves as your electronic signature and authorizes the Bank to place the stop. We will charge you a separate fee for each stop payment request you make using this Service, as described in applicable fee schedules, which will automatically be charged to your Account. The charge may not be reimbursed.

You may not request a stop payment online of any ACH item, treasurer's check, cashier's check, certified check, or other official institution check you have purchased from us or any check that we have guaranteed or otherwise accepted.

It is understood that we assume no liability for any actions taken regarding the payment or non-payment of the transaction described in the stop payment order. You agree to indemnify and hold us harmless against any loss, cost, expense or damage we may sustain for stopping payment on the described transaction.

- 8.4 **Business Bill Pay:** Business Bill Pay is a Service that uses a third-party provider to perform payments on your behalf. The Service permits you to direct payments from your selected Account to third parties you wish to pay, either businesses or individuals.

If you elect to use this Service, you must sign indicating so on Schedule B. This Service is governed by this Agreement and the terms and conditions provided to you titled "Terms and Conditions of the Business Bill Payment Service" (the "Terms and Conditions"), and by using the Service, you agree to read and abide by such terms and conditions. If any provision of the Terms and Conditions is inconsistent or otherwise conflicts with this Agreement, the provisions of the Terms and Conditions will control.

You are solely responsible for all payments made by your System Administrator or Authorized Users, or those we reasonably believe to be your System Administrator or Authorized Users, to third parties, even if you did not authorize the payment.

The deadline for entering a payment to be included in processing on any Business Day is noon CT. Any payments entered after noon CT will be processed the following Business Day. All payments must be scheduled at least four (4) Business Days prior to the payment due date, or five (5) Business Days prior if you are entering payment after noon CT.

- 8.5 **Alerts:** Your enrollment in Stephenson National Bank & Trust Online Banking and/or Mobile Banking (the "Service") includes enrollment to receive transaction alerts and notifications ("Alerts"). Alerts are electronic notices from us that contain transactional information about your Stephenson National Bank & Trust account(s). Alerts are provided within the following categories:
- Mandatory Alerts provide you with important account notifications, such as information about changes to your Online Banking password, PIN, or login information. You do not have the option to suppress these Mandatory Alerts.
 - Account Alerts provide you with notification of important account activities or when certain changes are made to your Service accounts, such as scheduled payments made, scheduled payments cancelled and mobile deposits. These Alerts are automatically activated for you. Although you may suppress



these Account Alerts, we strongly recommend that you do not do so because they provide important information related to your Service accounts.

- Additional Alerts must be activated by you to be enabled. These Additional Alerts can be accessed from the Manage Alerts menu within Stephenson National Bank & Trust Online Banking and Manage Alerts menu within Stephenson National Bank & Trust Mobile Banking.

Account Alerts and Additional Alerts must be managed and/or added online through the Service. You cannot maintain all Alerts through your mobile device. We may add new Alerts from time to time, or cancel old Alerts. We usually notify you when we cancel Alerts, but are not obligated to do so. Stephenson National Bank & Trust reserves the right to terminate its Alerts service at any time without prior notice to you.

Methods of Delivery. We may provide Alerts through one or more channels (“EndPoints”): (a) a mobile device, by text message, (b) a mobile device, by push notification; (c) an email account, by an e-mail message; or (d) your Stephenson National Bank & Trust Online Banking message in-box, by an e-mail message. You agree to receive Alerts through these EndPoints, and it is your responsibility to determine that each of the service providers for the EndPoints described in (a) through (c) above supports the email, push notification, and text message Alerts provided through the Alerts service. Please be advised that text or data charges or rates may be imposed by your EndPoint service provider. Alert frequency varies by account and preferences. You agree to provide us a valid mobile phone number or email address so that we may send you Alerts. If your email address or your mobile device's number changes, you are responsible for informing us of that change. Your Alerts will be updated to reflect the changes that you communicate to us with regard to your primary and secondary email addresses or mobile device number.

Alerts via Text Message. To stop Alerts via text message, text "STOP" to 48179 at any time. Alerts sent to your primary email address will be unaffected by this action. To restore Alerts on your mobile phone, just visit the Alerts tab in Stephenson National Bank & Trust Online Banking and click the box next to your mobile number for the Alerts you'd like to receive again. For help with SMS text alerts, text “HELP” to 48179. In case of questions please contact customer service at 715-732-1732. Our participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, Verizon Wireless, MetroPCS.

Limitations. Stephenson National Bank & Trust provides Alerts as a convenience to you for information purposes only. An Alert does not constitute a bank record for the deposit or credit account to which it pertains. We strive to provide Alerts in a timely manner with accurate information. However, you acknowledge and agree that your receipt of any Alerts may be delayed or prevented by factor(s) affecting your mobile phone service provider, internet service provider(s) and other factors outside Stephenson National Bank & Trust's control. We neither guarantee the delivery nor the accuracy of the contents of each Alert. You agree to not hold Stephenson National Bank & Trust, its directors, officers, employees, agents, and service providers liable for losses or damages, including attorneys' fees, that may arise, directly or indirectly, in whole or in part, from (a) a non-delivery, delayed delivery, or the misdirected delivery of an Alert; (b) inaccurate or incomplete content in an Alert; or (c) your reliance on or use of the information provided in an Alert for any purpose.

Alert Information. As Alerts delivered via SMS, email and push notifications are not encrypted, we will never include your passcode or full account number. You acknowledge and agree that Alerts may not be encrypted and may include your name and some information about your accounts, and anyone with access to your Alerts will be able to view the contents of these messages.

8.6 **Additional Services:** You may request to use additional Services as described below:

- **Electronic Federal Tax Payment System (EFTPS)**- You can use this Service to make federal tax payments due to any federal governmental authority, including the Internal Revenue Service, from your Account. You must comply with any set-up or other procedures required by the recipient of a transfer (such as the prearrangement required by the Internal Revenue Service for electronic tax payments). If you elect to use this Service, you agree to the terms and provisions of our ACH Schedule, and we must have approved your use of this Service in advance.



- ACH Origination- You can use this Service to authorize us to process, transmit, receive and settle entries through ACH and to credit or debit entries to an Account, except if your Account is a certificate of deposit or commercial loan/line of credit account.
- Wire Transfers- You can use this Service to instruct us to wire transfer funds domestically in a specified amount, from any Account (except if your Account is a certificate of deposit or commercial loan/line of credit account) to a specified third party at another financial institution.
- Remote Deposit (Desktop Deposits)- You can use this Service to process electronic check deposits remotely from your business location.
- Mobile Deposit- You can use this Service to process electronic check deposits from your mobile device.

8.7 New Services: We may introduce new Services from time to time. We will notify you of the availability of these Services. By using these Services when they become available, you are bound by this Agreement and the terms and conditions that will be made available to you related to these Services. If you choose to add one of these available Services at a date after this Agreement is signed, you may request, in writing, that one or any of these other Services be added.

9. USER'S GUIDE

A user's guide is available to the System Administrator and Authorized Users, which describes the operation and features of the Services. In addition, "Help" is located within Business Bank Online and will assist with any procedures. You must follow the procedures provided when using the Services.

10. CHARGES; DEBITING YOUR ONLINE ACCOUNTS

You authorize us to, and we may in our sole discretion, charge and automatically deduct from your Accounts or any other account you maintain with us, as necessary, the amount of a transfer or other Service on or after the date on which we execute the transfer or other Service plus any charges and other amounts incurred with the Services. Standard Account charges were made available to you with your Account Agreement at original account-opening and charges for additional Services are included in Schedule A. These charges are subject to change at any time without notice and you may request a disclosure at any time from the Bank.

You are responsible for all charges incurred in connecting to the Services, including any sales taxes, charges or similar charges imposed by federal, state or local government where you are located and conduct your business and all charges incurred related to the use of the computer, such as all telephone charges and charges by an Internet or other service provider providing your Internet connection to the Services.

11. SYSTEM ADMINISTRATORS AND AUTHORIZED USERS

You are solely responsible for designating your System Administrator(s) and may do so at any time. **The designation of a System Administrator must be requested in writing by completing Schedule C, attached hereto.** You must provide us with certified copies of board resolutions, board minutes, LLC documents, Partnership documents from your governing body, as applicable, or any other documentation requested by us specifying the name of the person authorized to designate your System Administrator. We may require the Company to annually verify and confirm the System Administrator(s) and Authorized Users.

The System Administrator shall have access to all Accounts, and is responsible for designating each Authorized User's respective rights under the Services with respect to the Accounts. The System Administrator may give any other person the System Administrator's full extent of rights and authority with regard to Services and the Accounts, including the appointment of other System Administrators. The System Administrator may designate one or more Authorized Users and establish the scope of their access to and use of the services. These individuals may, on behalf of the Company, deposit checks, make payments, withdraw or transfer funds electronically from the Account(s) using the Services. You will require your System Administrators and Authorized Users to comply with all provisions of this Agreement and all other applicable agreements. You are fully responsible for the failure of your System Administrators or any Authorized User to so comply.



The System Administrator has the authority to amend certain provisions of this Agreement including, without limitation, increasing Company's funds transfer limits, without any additional authorization from Company.

Whenever any Authorized User leaves your employment or you otherwise revoke the authority of any Authorized User to access or use the Services, you must notify your System Administrator immediately, and the System Administrator, as applicable, is solely responsible for deactivating such Authorized User's User Name and Password. **You remain fully responsible for all use of the User Name and Password and the Services by any such Authorized User or other person.**

Whenever an Administrator leaves your employment or you otherwise revoke your Administrator's authority to access or use the Services, you must notify the Customer Support Department at the Bank immediately to remove the System Administrator and to add a newly assigned System Administrator. Any changes to System Administrator rights must be confirmed in writing. You remain fully responsible for all use of the User Name and Password and the Services by your Administrator occurring before you notify us and we have had a reasonable opportunity to act upon your notice.

12. UNAUTHORIZED USE

If you have reason to believe that your User Name/Access ID and Password has been lost, stolen or otherwise compromised (or may be compromised) or that a funds transfer or other Service has been or may be made with using this information without your permission, you must immediately contact the Bank's Customer Support at 715-732-1732 on any Business Day, during our normal business hours. You should also immediately request to change your User Name/Access ID and Password by contacting Customer Support. In no event will we be liable for any unauthorized transaction that occurs with any User Name and Password.

You must promptly and carefully examine all statements and the images of any checks or other items we provide or make available to you regarding your Accounts. If you feel there is an error in the statement, or that some unauthorized person has in any way had access to your Accounts, you must notify us immediately.

13. CONFIDENTIALITY

All user guides, manuals, data, processes and other information provided to you in connection with the Services and all fee and pricing information with respect to the Services is the proprietary and confidential property of the Bank and/or its relevant licensors or suppliers. You agree to use the information only in the manner specified by us and in the ordinary course of your business, to return it to us upon termination of the relevant Service, and to keep the information confidential and limit access thereto only to its agents and employees who require access in the normal course of their duties, except to the extent the information is already in the public domain or you are required to disclose the information by law.

14. DUE DILIGENCE; AUDIT

You will promptly supply us with due diligence information when requested. This information may include, but is not limited to, financial data, names and other information concerning the principals of the Company, information about the business in which the Company participates, information regarding the creditworthiness of the Company, projected return rates and payment history, and any other information we deem relevant.

We may, in our reasonable discretion, upon providing reasonable advance notice to you, conduct an off-site or on-site review of your operations to ensure compliance with the provisions of this Agreement. Such review may include but is not limited to a review of the physical area in which you create remote deposit items or ACH transactions, your security procedures and your business activities.

15. SECURITY

By agreeing to this Agreement, you acknowledge and consent to the terms and conditions found in our Security Schedule, as amended from time to time.



16. DISCLAIMER OF WARRANTY

UNLESS THE DISCLAIMER OF SUCH WARRANTIES IS PROHIBITED BY APPLICABLE LAW, YOU EXPRESSLY AGREE THAT USE OF THE SERVICES BY ANY MEANS AND THE COMPUTER IS AT YOUR SOLE RISK, THAT THE SERVICES ARE PROVIDED "AS IS", AND THAT WE DO NOT MAKE ANY WARRANTIES WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING WITHOUT LIMITATION, WARRANTIES, EITHER EXPRESS OR IMPLIED, SUCH AS THE IMPLIED WARRANTIES OF THE MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

17. OUR LIABILITY

The Bank will exercise ordinary care in providing the Services and will be responsible for any loss sustained by the Company only to the extent such loss is caused by the Bank's reckless or willful misconduct. In no event shall clerical errors or mistakes in judgments constitute failure to exercise ordinary care, nor shall the Bank have any liability for any indirect, incidental, consequential (including lost profits), special or punitive damages, whether arising in contract or in tort, and whether or not the possibility of such damages was disclosed to or could have been reasonably foreseen by the Bank. Under no circumstances shall the Bank be responsible for any liability, loss or damage resulting from any delay in performance of or failure to perform in connection with the Service which is caused by interruption of telephone, telefacsimile or communication facilities, delay in transportation, equipment breakdown or mechanical malfunction, electrical, power or computer failure, accidents, fire, flood, explosion, theft, natural disaster or other catastrophe, acts or failure to act by the Company or any third party, strikes or lockouts, emergency conditions, riots, war, acts of government or other circumstances which are unavoidable or beyond the Bank's control. The Bank shall not be liable for failure to perform any of its obligations in connection with the Services if such performance would result in it being in breach of any law, regulation or requirement of any governmental authority. **We shall not be liable to you or any third party for performing or failing to perform any Service, except for our gross negligence or willful misconduct in connection with the performance of (or failure to perform) any Service.**

If, for any reason, we are adjudged liable to you, your recovery will be limited to your actual damages, in an amount not to exceed three times the total fees and charges paid by you to us for the Services during the calendar month immediately preceding the month in which the event giving rise to our liability occurred. **IN NO EVENT WILL YOU BE ABLE TO RECOVER FROM US ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE OR INDIRECT DAMAGES OR LOST PROFITS, REGARDLESS OF WHETHER YOU ADVISED US OR WE OTHERWISE KNEW OF THE LIKELIHOOD OF SUCH LOSSES OR DAMAGES.** You agree that the dollar limitation described in this Section is reasonable, even if your actual damages exceed this limitation.

OUR RESPONSIBILITIES ABOVE SHALL CONSTITUTE OUR ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL WE, OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR AFFILIATES BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES UNDER OR BY REASON OF ANY SERVICES OR PRODUCTS PROVIDED HEREUNDER, YOUR USE OF OR ACCESS TO THE SERVICES, OR THE INABILITY TO USE THE SERVICES OR PRODUCTS PROVIDED HEREUNDER, INCLUDING BUT NOT LIMITED TO, LOST PROFITS, REVENUE OR DATA BY YOU OR ANY THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT OR BASED ON A WARRANTY, EVEN IF WE HAVE BEEN NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

18. YOUR LIABILITY; INDEMNIFICATION

You are solely responsible for the amount of deposited checks, withdrawals or transfers of funds electronically from the Account(s) including, but not limited to the Services, even if you did not authorize the funds transfer or other Service. You shall indemnify and hold harmless the Bank and each of its directors, officers, employees, agents, successors and assigns ("Indemnitees") from and against all liability, loss and damage of any kind (including attorneys' fees and other costs incurred in connection therewith) incurred by or asserted against such Indemnitee in any way relating to or arising out of the Service, by reason of any acts or omissions of Company or any third party or otherwise, except to the extent such liability, loss or damage is caused by the gross negligence or willful misconduct of such Indemnitee (in no event will the



Indemnitee be deemed to have committed gross negligence or willful misconduct in any situation where the Indemnitee acts in good faith based on the reasonable belief that any oral, telephonic, electronic, written or other request was sent from the Company.)

19. ARBITRATION

All disputes, controversies or differences which may arise between the parties out of or in connection with the Agreement, which cannot be settled by negotiation within thirty (30) days of the matter first being notified in writing to the other by the complaining party, shall be finally settled by binding arbitration in accordance with the commercial arbitration rules. The place of the arbitration shall be in the same city as the principal office of the Bank is located. The arbitration award shall be final and binding upon the parties. Any judgment upon such award may be enforced in any court having jurisdiction, or application may be made to such court for a judicial confirmation of such award and judgment or order of enforcement, as the case may be. The cost of the arbitration shall be borne equally by the parties unless otherwise provided in the arbitration award. The parties hereto agree that the arbitration award will be the sole and exclusive remedy between them regarding any and all claims, counterclaims, or issues. In order to have arbitration as the sole and exclusive remedy, the parties hereto exclude the right of appeal to courts of the United States, or any other courts, in connection with any question of law arising in the course of the reference to arbitration or out of the arbitration award.

20. WAIVER OF JURY TRIAL

The Company and the Bank waive all rights to trial by jury in any litigation or other proceeding arising out of or relating to this Agreement or the Services used by the Company.

21. NOTICES/ADDRESS CHANGES

Any notice or communication that you are required or permitted to give to us must be given by phone, fax, mail, or secure e-mail. Some notices or communication may be required in writing as stated in the Agreement. To the extent permitted by applicable law, any such notice or communication will not be effective until we receive it and have had a reasonable opportunity to act on such notice or communication.

The Stephenson National Bank & Trust
Customer Support
1820 Hall Ave
PO Box 137
Marinette, WI 54143
Monday through Friday 8:00 AM to 4:00 PM CT
Telephone: 715-732-1732
Fax: 715-732-6516
E-Mail: customersupport@snbt.com

You authorize us to send any notice or communication that we are required or permitted to give you under this Agreement to your mailing address or e-mail address as it appears on our records, and that any such communication or notice will be effective and deemed delivered when provided to you in such a manner. If we send you an e-mail notice, you will be deemed to have received it the next Business Day after it is sent, even if you do not access your e-mail during that time. **You must notify us promptly about any change in your business mailing or business e-mail address, and no such change will be effective until we have had a reasonable opportunity to act on your notice.** If your Accounts are owned by more than one person or entity, we may consider any notice or communication from us as being given to all Account owners when such notice or communication is given to any one Account owner.

We may send confidential information, including your User Name/Access ID and Password to your current business address or e-mail address shown in our records for your Accounts, whether or not our records include delivery instructions to a particular individual. We will not be responsible or liable in any way if such properly addressed information is intercepted by an unauthorized person either in transit, at your place of business or otherwise.



22. E-MAIL

E-mail messages may not be secure; thus, you should not send us or ask for sensitive information, such as online Account numbers or other online Account information, via e-mail. It might take us a while to read and respond to your email message. You should not rely on e-mail if you need to communicate with us immediately.

23. MONITORING AND RECORDING

Your telephone calls and other notices and communications you provide to us may be monitored or recorded for training and quality control purposes. We may, and you agree and authorize us to monitor, record, retain and reproduce your telephone calls and any other notices and communications you provide to us or our agents, regardless of how transmitted to us.

24. CROSS COLLATERALIZATION, CROSS DEFAULT, CROSS GUARANTY AGREEMENT

As permitted by law, the obligations of the Company to the Bank under this Agreement are secured and supported by any and all security interests, pledges, mortgages or liens and guaranties now or hereafter existing and granted to the Bank to secure indebtedness of the Company to the Bank. The Company grants to the Bank a security interest in, lien upon and express contractual right to set off against all depository account balances, cash and any other property of the Company now or hereafter in the possession of the Bank.

25. BANKRUPTCY

You will immediately notify us of any bankruptcy, receivership, insolvency or similar action initiated by or against the Company or any of its principals. You will include the Bank on the list of creditors as filed with the Bankruptcy Court. As an executory contract to make a loan, or extend other debt financing or financial accommodations to or for the benefit of the Company, this Agreement cannot be assumed or assigned under the Company's bankruptcy.

26. AMENDMENTS TO TERMS AND CONDITIONS

We may change the Services, related charges and other terms and conditions in this Agreement from time to time pursuant to the notice provisions of this Agreement. The change generally will be effective immediately once notice is made available to you. However, if the change is made for security purposes, we may implement it without giving you prior notice.

You will be deemed to accept any changes to the Services and this Agreement if you access or use any of the Services after the date on which the change becomes effective. You will remain obligated under this Agreement, including without limitation, being obligated to pay all amounts owing under this Agreement, even if we amend this Agreement.

27. SUSPENSION

We reserve the right to suspend your access to and use of the Services for any reason at our sole discretion. If we do this, we may notify you in a manner provided for in this Agreement; however, we are not under any obligation to do so. If your access to and use of any of the Services is suspended, transactions that were previously scheduled will be canceled; however, we will not be liable to you if we allow a transaction to be completed. All inquiries or correspondence relating thereto, including requests for reinstatement should be in writing and directed to us at the address listed in Section 21.

28. TERMINATION

Unless otherwise required by applicable law, we may terminate this Agreement, in whole or in part, for any reason and at any time without prior notice to you in our sole discretion. You also may terminate this Agreement and the use of the User Names/Access IDs and Passwords and one or more of the Services by calling us or writing to us at the telephone number or address set forth in this Agreement. If you call, you must put your request in writing and send it to us within 10 Business Days after you call, or else the termination may not remain effective. Any request to terminate your access to and use of the Services will be effective only after we have had a reasonable opportunity to act on your request.



If this Agreement is terminated for any reason, you must cancel all outstanding fund transfers and other Services, including any automatic or recurring fund transfers. We may continue to transfer funds and to perform other Services you have previously authorized or may subsequently authorize; however, we are not under any obligation to do so. We will not be liable if we choose to transfer funds or to perform any other Service you previously authorized or subsequently authorize after this Agreement terminates. The provisions of Sections 16, 17, and 18 of this Agreement relating to your and our liability and the disclaimer or warranties survive the termination of this Agreement.

29. MISCELLANEOUS

- 29.1 Waiver of Two Signature Requirement.** The provisions of any other account or loan agreement with us requiring two signatures on any check, draw request or other instruction, shall not apply to any transactions using the Services, unless otherwise specifically agreed to by us. By initiating any transaction through the Services, the Company specifically waives any requirement for signatures or authorization from two or more Authorized Persons and releases the Bank from any liability for acting, or failing to act, in accordance with the Company's instructions. Any Authorized Persons shall have authority to initiate transactions on the Company's behalf, even though such person may not otherwise have authority to transfer or withdraw funds from the Company's Account(s) by other means (e.g. by check).
- 29.2 Assignment.** We may, at any time, assign this Agreement, including our rights, interests and obligations, in whole or in part, or delegate any of our responsibilities under this Agreement to any other person or entity without notice to or consent from you. You may not assign this Agreement, including any of your rights, interests and obligations, in whole or in part, or delegate any of your responsibilities under this Agreement without our prior written consent.
- 29.3 No Waiver.** No waiver of any right or obligation under this Agreement by us on any occasion will constitute a waiver of that right for any subsequent act. In any event, no waiver by us of any right of ours is effective against us unless it is in writing signed by us.
- 29.4 Severability.** If any provision of this Agreement or any related Schedule is determined to be invalid or unenforceable by a tribunal, a court or any government agency having competent jurisdiction, that provision will continue to be enforceable to the fullest extent permitted by that court or agency, and the remainder of that provision will no longer be considered part of this Agreement. All other provisions of this Agreement or any related Schedule will, however, remain in full force and effect.
- 29.5 Relationship.** The Bank and Company are not partners, joint ventures or agents of each other as a result of this Agreement.
- 29.6 Section Headings.** Section headings of this Agreement or any Schedule are included for convenience and are not be deemed to create rights, remedies, claims, or defenses arising under the Agreement.
- 29.7 Entire Agreement.** Any access to or use of the Services constitutes acceptance of the terms of this Agreement by you, and this Agreement (including all Schedules) contains the entire and final agreement and expressly supersedes all prior agreements and understandings, both written and oral, between you and us concerning the Services.
- 29.8 Governing Law.** This Agreement is governed by the laws of the state of Wisconsin. If there is a conflict between the provisions of this Agreement and any applicable law or regulation, this Agreement is deemed modified to the extent necessary to comply with such law or regulation.

[Signature Page Follows]



[Signature Page to Business Account Online Master Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Business Bank Online Master Agreement to be executed by their duly authorized officers.

The Stephenson National Bank & Trust

Company

Name: _____

Name: _____

Title: _____

Title: _____

Authorized
Signature: _____

Authorized
Signature: _____

Date: _____

Date: _____



THE
STEPHENSON
National Bank & Trust

SCHEDULE A – BUSINESS BANK ONLINE ADDITIONAL SERVICES SCHEDULE OF CHARGES

ADDITIONAL SERVICES (Optional)	<u>CHARGE</u>
<u>DESKTOP/MOBILE DEPOSITS</u>	\$ 15.00/month
SCANNER (Desktop Only)	\$ _____
DEPOSIT ITEMS FEES AS STATED IN ACCOUNT DISCLOSURE	
<u>BILL PAY</u> (includes 20 transactions)	\$ 15.00/month
ADDNL TRANSACTIONS	\$.75 each
<u>ACH ORIGINATION</u>	\$ 25.00/MONTH
PER ITEM ORIGINATED	\$.15/ITEM
SAME DAY ACH	TBD
NOC (notification of change)	\$ 12.00
UNAUTHORIZED RETURN	\$ 12.00
REVERSALS (FILE OR ENTRY)	\$ 30.00
RESEARCH (Refer to Account Services & Charges)	
TOKEN FEE	waived
LICENSING/SET UP/TRAINING (one-time fee)	\$200.00
ADDITIONAL TRAINING	\$ 25.00/hour
<u>WIRE TRANSFERS</u> (Includes ACH Origination)	\$ 45.00/MONTH
WIRE TRANSFERS - INCOMING	\$ 12.00/EACH
WIRE TRANSFERS - OUTGOING	\$ 25.00/EACH
(Domestic only)	
TOKEN FEE	waived
LICENSING/SET UP/TRAINING (one-time fee)	\$200.00
ADDITIONAL TRAINING	\$ 25.00/hour
<u>TOKEN FEE</u> (if desired and not using ACH or Wires)	\$ 20.00/EACH

Subject to change without notice.



Schedule D

Holidays

Holiday Calendar

"Business Days" do not include the following standard holidays observed by the Federal Reserve Bank, as well as all Saturdays and Sundays. This list is subject to change from time to time, at the Bank's discretion.

New Year's Day (January 1)
Martin Luther King's Birthday (Third Monday in January)
Presidents Day (Third Monday in February)
Memorial Day (Last Monday in May)
Independence Day (July 4)
Labor Day (First Monday in September)
Columbus Day (Second Monday in October)
Veterans Day (November 11)
Thanksgiving Day (Fourth Thursday in November)
Christmas Day (December 25)

Note: If January 1, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.



THE STEPHENSON NATIONAL BANK & TRUST SECURITY SCHEDULE

This Security Schedule (the "Schedule") governs the use of all online and electronic services (the "Services") offered by The Stephenson National Bank & Trust (the "Bank," "us," "we" or "our"). By using the Bank's Services, the Company agrees to all terms and conditions found in this Schedule.

- 1. Business Bank Master Online Agreement.** This Schedule is incorporated with and into the Company's Business Bank Master Online Agreement (the "Agreement") with the Bank. If there is a conflict between the Agreement and this Schedule, the terms and provisions of this Schedule will govern and control. Terms not defined herein have the meaning ascribed to them in the Agreement. "User Name/Access ID" and "Password" shall mean all User Names/Access IDs and passwords assigned to the Company for use with the Services.
- 2. Bank Security Procedures.** Our security system has been designed so that it may be operated upon entry of a valid User Name/Access ID and Password to minimize the possibility of fraud and error by placing the issuance of such User Name/Access ID and Password solely under the control of individuals authorized by the Company. We use the following approach to help protect you from security threats, which you hereby agree to. *You acknowledge that these procedures are a commercially reasonable method of minimizing the risk of unauthorized payment orders or other transactions and these procedures are not for the detection of error. No security practice or procedure for the detection of any such error has been agreed upon between the Bank and the Company.* We will do the following, as applicable:
 - Offer education and awareness information to you via our website dealing with identity theft, phishing and malware.
 - Employ a system where identification of Users when logging on will consist of multi-factor authentication that uses User Name/Access ID and Password, along with a Token for certain types of authorizations. In our discretion, we may also require the Company to perform a method of verification outside the computer to verify that a submitted file was truly originated by an Authorized User of the Services. We reserve the right to modify the identification process from time to time to implement new measures that are recommended in the industry to combat new or increased threats.
 - For all wire transfers and for any fund or file transfers exceeding Company's authorization limits, you will call the Bank and follow procedures for a one-time increase.
 - We may perform a customer callback for verification and authorization from time-to-time, at the Bank's sole discretion.

You understand that, while these security procedures are designed to prevent unauthorized access to your Accounts or transactions, there can be no assurance that inquiries or transaction activity will be completely secure. You expressly authorize us to treat any instruction made on the Services with a valid User Name/Access ID and Password as if the instructions had been made in writing and signed by a validly authorized individual acting on behalf of the Company.

You are responsible for the installation, update, maintenance and proper use of industry standard security products that are appropriate for you, including, without limitation, the following:

- Desktop firewall used to prevent unauthorized access to your network.
- Updated anti-virus protection used to prevent your PC from being victimized by the latest viruses.
- Updated anti-spyware protection used to prevent spyware from providing potential tracking information about your activities.
- Operating system and desktop applications updated with the latest patches when they are available, particularly when and if they apply to a known exploitable vulnerability.
- A product that indicates the Web site you are on, or an Internet browser that indicates the site name.

You assume full responsibility for any transaction conducted on the Services that we accept in good faith, if we complied with the applicable security procedures or if you did not comply with them. Except for a breach of security in our



internal systems, and except in a case where you comply with the applicable security procedure and either we do not so comply or we do not act in good faith, we shall have no responsibility for, and you assume full responsibility for, any transaction resulting from a breach of security regardless of the source or cause thereof. Without limiting the generality of the preceding sentence, you are responsible for a breach of security occurring on or in connection with a computer or computer network owned, controlled or used by you or your employees, contractors, service providers or agents, by whatever means, such as (by way of example and not limitation) phishing, pharming, keylogging or other fraudulent activity enabled by malware. If we do bear responsibility, it will extend only to losses caused solely and directly by us, and our liability will in any event be limited as provided in the Agreement.

3. **Protection of User Name/Access ID and Password.** You will be provided with a User Name/Access ID and Password for each Authorized Person that will give you and each such Authorized Person(s) access to the Services. You accept responsibility for the confidentiality and security of all User Names/Access IDs and Passwords. You agree to keep all User Names/Access IDs and Passwords secure and absolutely confidential and will ensure that all Authorized Persons do the same. You agree to immediately notify us if you believe or suspect that a User Name/Access ID or Password may have become compromised. None of our employees will contact you under any circumstance for the purpose of requesting your User Name/Access ID or Password. If anyone contacts you in any manner whatsoever in an attempt to obtain your User Name/Access ID or Password, you should contact us immediately. We will have no liability to you for any unauthorized transaction made using your User Name/Access ID or Password if you do not promptly notify us of a compromise of any User Name/Access ID or Password within a timeframe that would afford us a reasonable opportunity to act on such notice. We may suspend or cancel your User Name/Access ID or Password even without receiving such notice from you if we suspect a User Name/Access ID or Password is being used in an unauthorized or fraudulent manner. For the avoidance of doubt, you agree to contact us immediately if you believe that any User Name/Access ID or Password have been lost or stolen, if you suspect any fraudulent activity involving any Account with us or believe someone has transferred or may transfer money from any Account without your permission, or if you are contacted by anyone requesting information about your User Name/Access ID or Password.

You agree to: (1) take reasonable steps to safeguard the confidentiality of all User Names/Access IDs and Passwords; (2) limit access to the Company's User Name/Access ID and Password to Authorized Persons; (3) closely and regularly monitor the activities of the individuals who have access the Services; and (4) prohibit the Company's employees and agents from initiating transactions without proper supervision and adequate controls. The Company warrants that no individual will be allowed to initiate transactions in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any access codes, security devices and related instructions provided by the Bank in connection with the security procedures described. The occurrence of unauthorized access will not affect any transactions made in good faith by the Bank (i) prior to receipt of such notification or (ii) within a reasonable time period after such notice, and the Bank shall have no liability for the same.

4. **Changing Security Codes:** You shall change your Password periodically; at least once every six months, unless otherwise directed by the Bank. You shall also change your User Name/Access ID and/or Password whenever you are concerned that the User Name/Access ID and/or Password has been compromised or if anyone who has had access to the User Name/Access ID and/or Password is no longer employed or authorized by the Company to use the Services. We may require you to change your User Name/Access ID and/or Password at any time. We may deny access to the Services without prior notice if we are unable to confirm (to our satisfaction) any person's authority to access the Services or if we believe such action is necessary for security reasons.
5. **Virus/Malware Protection:** We are not responsible for any virus or viruses, electronic or otherwise, which you may encounter. You agree to routinely scan your computer and/or access device using a virus protection product. An undeleted virus may corrupt and destroy your programs, files and hardware. As an added security precaution we strongly recommend you use a dedicated computer to use the Services. This computer should be segregated from the other computers at your company, fully patched, and running up to date security and anti-virus software.
6. **Assumption of Risk:** You understand that the User Name/Access ID and Password and the Bank's security instructions are confidential and agree to assume all responsibility and risk of accidental disclosure, inadvertent use, or intentional use by any party whatsoever, whether such disclosure or use is on Account of your negligence or is a deliberate act.



7. **Reservation of Rights and Acceptance of Security Procedures:** You acknowledge that (i) the Bank reserves the right to change its security procedures from time to time, and (ii) your continued use of the Services following notice of such changes shall constitute the Company's acceptance of any new security procedures as commercially reasonable.



Desktop Deposit Schedule for Business Bank Online Customers The Stephenson National Bank & Trust

This Desktop Deposit Schedule (the "Schedule") governs the use of the remote deposit service (the "Service") offered by The Stephenson National Bank & Trust ("Bank," "us," "we," or "our"). The Company has requested that the Bank provide certain image deposit service capabilities to the Company so that it may remotely deposit items to designated Bank Accounts, and the Bank will do so subject to the terms of this Schedule. By using the Service, the Company agrees to all terms and conditions found in this Schedule.

1. BUSINESS BANK MASTER ONLINE AGREEMENT

This Schedule is incorporated with and into the Company's Business Bank Master Online Agreement (the "Agreement") with the Bank, the terms and provisions of which shall apply to the Service provided to the Company hereunder, except to the extent such terms and provisions may be inconsistent with the terms and provisions of this Schedule, in which case the terms and provisions of this Schedule will govern and control.

2. DEFINITIONS

The following words or terms shall each have the meanings provided below. Additional defined terms shall be provided throughout the Schedule. Terms not defined herein have the meaning ascribed to them in the Agreement.

- 2.1 "Check" shall have the meaning defined in Regulation CC as promulgated by the Board of Governors of the Federal Reserve System.
- 2.2 "Desktop Deposit" means all information, web-based services, technological infrastructure and installed software on the Company's computers, which allow the Company to submit Checks for deposit through the Internet.
- 2.3 "Electronic Item" shall mean an image of the front and back of a Check, all of the information from the Magnetic Ink Character Recognition ("MICR") line on the original Check, and the enclosed amount and additional information about the original Check and any other information specified by Bank, in the format specified by Bank.
- 2.4 "Franking" is a method of identifying that a Check has already been deposited by placing a mark or writing "scanned", "electronically deposited" or "processed" on the face of the Check which must not obscure any of the required information on the Check.
- 2.5 "Substitute Check" means a paper reproduction of the original Check that:
 - a) contains an image of the front and back of the original Check
 - b) bears a MICR (Magnetic Ink Character Recognition) line containing all the information on the MICR line of the original Check, except as provided under generally applicable industry standards for Substitute Checks to facilitate the processing of Substitute Checks
 - c) conforms, in paper stock, dimension, and otherwise, with generally applicable industry standards for Substitute Checks;
 - d) and is suitable for automated processing in the same manner as the original Check.

3. RECEIPT, SCANNING AND TRANSMISSION OF ITEMS

The Company shall undertake prudent measures designed to verify the identity of individuals issuing items to the Company. **The Company will endorse all Checks prior to scanning and agrees to identify it as already deposited by franking it.** Checks shall be scanned and transmitted using hardware and software acceptable to Bank. The Company shall ensure that each Check is endorsed for deposit without any restrictions or conditions. The Company shall identify the Bank, and no other financial institution, as the "Bank of First Deposit" by placing the Bank's Routing Transit Number in the proper field, according to the current image exchange standards. Electronic Items must be transmitted in electronic files (each a "File") that conform to such specifications as the Bank requires, as modified from time to time in the Bank's sole discretion. Files that are transmitted to the Bank on any given day shall not exceed the per File and/or per day dollar limit(s) established for Company by the Bank and communicated to the Company from time to time, or any other dollar limits established and amended by the Bank in its sole discretion.

Scanning the Checks through a certified scanner ensures the quality and reliance of the system by creating an image of the front and back of the Check. Checks written out in red ink or a gel pen or have a design that is dark in color may not produce



a defined image and therefore should not be accepted by the Company for deposit with Desktop Deposit. The Company agrees to submit files that do not exceed the dollar limit established and agrees to verify the submitted files are “delivered”.

4. SECURED TRANSMISSION

The Company shall transmit Files to Bank in accordance with Bank’s online access and security procedures as described in the Security Schedule to the Agreement, as made available by the Bank. Electronic Items, Files, notices, messages, acknowledgments and information are delivered by the Company and received by the Bank when the Company has satisfactorily completed the applicable security procedures and the Electronic Items, Files, notices, messages, acknowledgments and information have been placed on a Bank storage device that makes such information available for the Bank to retrieve or review. For purposes of determining when Electronic Items, Files, notices, messages, acknowledgments and information have been delivered and received, the Bank’s records shall be determinative.

5. CUTOFF

Files received by the Bank prior to 6:00 p.m. Central Time (“Cutoff Time”) on a Business Day shall be eligible for processing on that Business Day. Files received after the Cutoff Time or on a day that is not a Business Day shall be eligible for processing on the next Business Day.

6. PERMISSIBLE ELECTRONIC ITEM DEPOSITS

The Company hereby warrants that every Electronic Item shall have been captured by the Company from an original Check. If the Company sends an Electronic Item for deposit that was not captured from an original Check, the Company agrees to indemnify, defend and hold harmless the Bank against any financial loss, costs (including but not limited to attorneys’ fees, costs of litigation and consequential losses, if any), claim, harm or damage that the Bank suffers as a result. In its discretion, the Bank may terminate the Service immediately if the Company sends an Electronic Item that was not captured from an original Check.

Any restrictive endorsements (for example, "void after 90 days") are not enforceable against the Bank unless the Bank specifically agrees to the limitation in writing.

The Company hereby further warrants that it will send an Electronic Item for deposit only if the original Check is:

- a. payable to the Company and not to a third party;
- b. not drawn on an account owned, controlled or accessible by a person or entity of the Company, any person or persons who control the Company or an entity that is controlled by persons who control the Company, unless such account contains sufficient funds for the full settlement of the Electronic Item; and
- c. not otherwise in violation of any covenant, term, representation or warranty under this Schedule.

7. IMPERMISSIBLE ELECTRONIC ITEM DEPOSITS

The Company agrees and warrants that the Company will *not* use the Service to transmit to the Bank for deposit any Electronic Item reflecting:

- a. any original Check that has been previously deposited through the Service or otherwise;
- b. any original Check, the deposit of which is prohibited by the Bank’s then-current procedures pertaining to the Service or is in violation of any applicable law, regulation or rule;
- c. any original Check that the Company knows or suspects or should suspect is fraudulent or otherwise not authorized by the owner of the account on which the original Check is drawn;
- d. Substitute Checks or image replacement documents that are derived from or that purport to be Substitute Checks;
- e. any Check that is drawn on or is payable by or at a bank that is located outside of the contiguous United States, Alaska, Hawaii, the District of Columbia, Puerto Rico or the U.S. Virgin Islands;
- f. any Check that is not permitted for deposit into a designated account, as provided in the applicable account agreement between the Company and the Bank; or
- g. unless otherwise consented to by the Bank, any “remotely created Check,” as that term is defined in Federal Reserve’s Regulation CC, that is, any Check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the Check is drawn.

With respect to each Electronic Item Company sends to the Bank for deposit, the Company agrees to indemnify and reimburse Bank for and hold Bank harmless from and against any and all losses, costs and expenses (including attorneys’ fees) the Bank incurs with respect to any warranty or indemnity Bank makes to another party, whether by



operation of law or by agreement, with respect to the Check, any electronic representation of the Check, the Electronic Item, any Substitute Check based on the original Check or any paper or electronic representation of a Substitute Check derived from the original Check.

8. RECEIPT AND DEPOSIT OF FILES

Upon receipt of each Electronic Item, the Bank shall, in its sole discretion, determine whether Electronic Items are accepted for processing or rejected. All accepted Electronic Items shall be deposited into the designated Account for processing and settlement. Images in a File must be of such quality that the information on each Electronic Item can clearly be read by sight review. If the Bank notes an error in a File, it may either reject the entire File or correct the error. Electronic Item acceptance shall be indicated by the posting of the Electronic Item contents to the Account. If the Company believes that Electronic Items have been sent to the Bank but Company has not received notice that the Electronic Items have either been accepted for processing or rejected, it is Company's responsibility to contact Bank to inquire about the Electronic Items in question. Company, but not Bank, shall remain liable for any File or Electronic Item that (i) is not actually received by Bank, or (ii) is intercepted or altered by an unauthorized third party. The Bank shall have no obligation to accept a File and may reject any File without liability. The Bank shall solely determine the manner and order in which Electronic Items will be presented for payment to the drawee bank and shall solely select the clearing agents used to collect and present the Electronic Items.

9. RETURNED ITEMS

If images of Electronic Items previously deposited by the Company are dishonored and returned unpaid by the drawee bank, Company understands and agrees that the Electronic Item will be re-presented in accordance with the Account Agreement if applicable, and the Bank may charge back an Electronic Item to the Account by providing an image of the original Check, a paper reproduction of the original Check or a Substitute Check. In such event, an original Check will not be returned to the Company. Unless otherwise instructed by the Bank, the Company shall not attempt to deposit or otherwise negotiate an original Check that has been imaged if it has been charged back to Company. Dishonored Electronic Items are the sole responsibility of Company. Company may request that Bank process returned Electronic Items according to Company's written instructions ("Special Instructions"). Special Instructions, and changes thereto, shall not become effective until acknowledged and accepted by the Bank in writing. Notwithstanding the foregoing, the Bank has no obligation to re-present any returned Electronic Item and may choose to disregard the Special Instructions at any time and charge a returned Electronic Item fee back to the Account. Following initial presentment or any re-presentment of an Electronic Item under this Schedule, if such Electronic Item remains unpaid, the Company shall be notified and the Bank shall have no further liability to the Company for such re-presented Electronic Item. The Company agrees that the Bank may debit any of its accounts maintained with the Bank to obtain payment for any Electronic Item that has been rejected or returned, for any adjustment related to such Electronic Item or for any warranty claim related to such Electronic Item, whether or not the rejection, return, adjustment or warranty claim was made timely. The Bank has no duty to the Company or to any other person to decline or dispute any such rejected or returned item, or to dispute or defend against such adjustment or warranty claim.

10. AVAILABILITY OF FUNDS AND HOLDS

Remotely deposited Electronic Items are "non-local" items as defined in Federal Reserve Board Regulation CC. Despite this fact, the Bank shall grant provisional credit to the Account for the total amount of an accepted File in accordance with prudent business timeframes. The Company authorizes the Bank to place a hold on funds in the Account if, after performing risk management activities on Electronic Items in a File, the Bank has concerns about or doubts the validity or collectability of an Electronic Item.

11. RETENTION & DESTRUCTION OF ORIGINAL DOCUMENTS

The Company agrees to take appropriate measures to maintain the security and safety of the original Checks and information contained on the Checks. The Company will ensure that the original item will not be duplicated or processed more than one time, will not be physically deposited or negotiated with the Bank or any other entity or financial institution once it has been scanned and accepted into the Desktop Deposit system. **Checks will be retained in a secure location accessed only by authorized personnel for a period of at least 14 calendar days but no longer than 90 calendar days**, at which time, the



Company will destroy the original items by shredding or burning unless special arrangements were made between Company and the Bank.

12. SECURITY PROCEDURES

In addition to the terms and conditions in the Security Schedule, the Company agrees to the following provisions:

- a. The Company shall be solely responsible for preventing and safeguarding against unauthorized transmissions and unauthorized access to the following: (i) original Checks; (ii) Electronic Items; and (iii) Files. Such practices, techniques and procedures shall be no less than the security-related requirements set forth in any applicable laws, regulations, regulatory guidelines and rules.
- b. The Company warrants that no individual will be allowed to create Electronic Items and/or transmit them to the Bank in the absence of proper supervision and safeguards and that only Authorized Persons shall authorize transactions pursuant to this Schedule and transmit the Electronic Items and instructions related thereto to the Bank.

13. CONTINGENCY

In the event that the Company is unable to submit the deposit through the Desktop Deposit system due to computer or scanner problems, the Company can submit deposits personally, mail the deposit or use an overnight delivery system. The Company may also contact the Bank for other options for deposit.

14. INVESTIGATIONS

The Company will provide any assistance necessary to the Bank in any reasonable investigation the Bank undertakes in connection with unusual transaction items or volume, poor image quality, or any other matter. Such Company assistance may include, without limitation, the provision of imaged or original documentation to the Bank.

15. MISCELLANEOUS ISSUES

- a. Storage of Information. The Bank shall store and retain imaged documents accepted from the Company according to the Bank established methods and pursuant to the available storage options. All data storage media, security procedures, data, information, software, documentation and similar related records and materials used by the Bank for the Service shall be and remain the Bank's property.
- b. Risk Parameters. Any Electronic Item or File activity that falls beyond any risk parameters established by the Bank will constitute a breach of this Schedule. In such event, the Company authorizes any additional actions as the Bank deems necessary including, but not limited to, suspension of any Services provided under this Schedule.
- c. System Capabilities: Scanners. The Company understands that if its computer system and Internet connectivity does not comply with the minimum recommendations of the Bank, the Service might not perform in an optimal manner. The Company will be provided with all necessary equipment from Bank pursuant to a separate agreement.
- d. Financial Information. The Company authorizes (i) the Bank to make any credit inquiries they consider necessary to review the acceptance and continuation of this Schedule, and (ii) any credit reporting agency to provide information to the Bank. If necessary to make credit inquiries as to a Company owner or affiliate, Company shall promptly obtain authorization for the Bank to do so. The Company will provide the Bank with financial information as requested from time to time. The Company will provide such information within sixty (60) days of the Bank's request.
- e. Services From Others. A third party may provide services, special equipment or software to assist the Company in processing Electronic Items, Files and other business transactions, including authorizations and settlements, or accounting functions hereunder ("Third Party"). The Company (i) agrees that any Third Party is acting as the Company's agent in the delivery of Electronic Items and Files to Bank and (ii) agrees to assume full responsibility and liability for any failure of a Third Party to comply with this Schedule. The Bank will not be liable for any losses or additional costs incurred by the Company as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party.

16. INDEMNIFICATION, LIMITATION OF LIABILITY

In addition to other indemnification and liability provisions in the Agreement, the Company shall indemnify and hold the Bank, its parent, employees and agents harmless from and against any and all claims, damages, losses, demands, liabilities and expenses (including reasonable attorneys' fees and litigation expenses) arising directly or indirectly from or relating in



any manner to: (i) Company's failure to satisfy its obligations under this Schedule; (ii) Company's failure to exercise ordinary care in connection with its duties under this Schedule; (iii) Company's breach of any warranties and representations in this Schedule and/or any provision in this Schedule; (iv) the dishonor or otherwise return unpaid by the drawer bank, or return by a clearing agent, for any reason, of any Check and/or Electronic Item presented to Bank by Company; (v) any actions or omissions taken by Bank that were reasonably believed to be taken pursuant to this Schedule or any other action taken or omitted by Bank in good faith pursuant to its responsibilities under this Schedule; (vi) any actions by any agent employed by Company that result in a breach of this Schedule by Company; (vii) to the extent that it involves Bank, any litigation asserting noncompliance on Company's part with applicable rules, laws, regulations or other requirements; and (viii) from any claim of any person that Bank is responsible for any act or omission of Company or any other person acting on behalf of Company.

17. WARRANTIES

In addition to the Company's representations and warranties under the Agreement, the Company represents and warrants to the Bank and agrees that:

- a. the Company will transmit only Electronic Items to Bank for deposit that comply with the provisions of this Schedule;
- b. each Electronic Item transmitted by the Company to the Bank contains an accurate representation of the front and back of the original Check;
- c. all information submitted by the Company to the Bank is complete and accurate and complies with the provisions of this Schedule and the Agreement;
- d. Company is not a consumer, each designated account is used for business purposes only and is not a consumer account, and the Service shall be used only for business purposes;
- e. all signatures on the original Check from which an Electronic Item is derived are authentic and authorized;
- f. each Check from which an Electronic Item is derived is authentic and has not been altered;
- g. each Electronic Item transmitted to Bank is an accurate, authentic replica of an original Check, and the Electronic Item has not been altered;
- h. the Company is entitled to enforce each Check from which an Electronic Item is derived;
- i. no Check from which an Electronic Item is derived is subject to a defense or claim in recoupment of any party that can be asserted against Company;
- j. the Company has no knowledge of any insolvency proceedings commenced with respect to the maker or acceptor or, in the case of an unaccepted Check, the drawer of any Checks from which an Electronic Item is derived;
- k. the Company shall not knowingly or unknowingly transmit or cause to be transmitted to Bank any computer virus or any malicious code and shall take commercially reasonable steps to prevent such transmissions from occurring;
- l. Company **will not**: (1) create a duplicate Electronic Item of an original Check; (2) transmit a duplicate Electronic Item to the Bank or to any other person for collection or presentment; or (3) deposit or otherwise negotiate the original of any Check from which an Electronic Item has been created;
- m. no subsequent transferee of an Electronic Item, including but not limited to the Bank, a collecting or returning bank, drawer, drawee, payee or endorser, will be asked to pay an original Check from which an Electronic Item was created or to pay a duplicate of an Electronic Item;
- n. no subsequent transferee of an Electronic Item, including but not limited to the Bank, a collecting or returning bank, drawer, drawee, payee or endorser, shall sustain a loss as a result of an Electronic Item (or any item or returned Check derived from the Electronic Item) being presented for payment or returned, instead of the original Check;
- o. Authorized Persons have been duly authorized by the Company to act in the capacity provided for in this Schedule; and
- p. the Company shall perform its obligations under this Schedule in accordance with, and shall not perform any acts or omissions that would cause Bank to violate, any applicable rules (including but not limited to applicable rules of trade associations, clearinghouses and payment processors), requirements, laws, regulations, sanctions, executive orders and regulatory guidelines including, but not limited to, the following: U.S. federal or state laws and regulations; foreign laws, regulations and/or directives; the sanctions laws, regulations and executive orders administered by the Office of Foreign Assets Control ("OFAC"); laws, regulations and orders administered by FinCEN; any applicable rules; Federal Reserve Operating Circulars; and any applicable state laws, regulations, orders or regulatory guidelines.

18. TERMINATION; SOFTWARE AND EQUIPMENT



The Company will comply with all software, Internet and hardware requirements of this Schedule and those requirements contained in the Agreement. These requirements were provided in the Desktop Deposits System Requirements Evaluation Form (previously provided). These requirements include the computer system, Internet connectivity and scanners that have been identified as compatible with the Desktop Deposit product. Since the scanner must be compatible, the Company agrees to either purchase from the Bank or only purchase equipment identified as compatible. The Bank reserves the right to increase or modify minimum requirements. The Company is responsible for upgrading to the required specifications at their expense.

Within thirty (30) days of termination of this Schedule, the Company agrees to uninstall and remove all software provided by the Bank for the Service and, as requested by the Bank, return any leased equipment and/or materials relating to the Service or certify to Bank in writing that such materials have been destroyed. Failure to return any leased/borrowed equipment will result in being charged the original purchase price of said equipment.



Mobile Deposit Schedule for Business Bank Online Customers The Stephenson National Bank & Trust

This Mobile Deposit Schedule (the "Schedule") governs the use of the mobile deposit service (the "Service") offered by The Stephenson National Bank & Trust ("Bank," "us," "we," or "our"). The Company has requested that the Bank provide certain image deposit service capabilities to the Company so that it may mobile deposit items to designated Bank Accounts, and the Bank will do so subject to the terms of this Schedule. By using the Service, the Company agrees to all terms and conditions found in this Schedule.

1. BUSINESS BANK ONLINE MASTER AGREEMENT

This Schedule is incorporated with and into the Company's Business Bank Master Online Agreement (the "Agreement") with the Bank, the terms and provisions of which shall apply to the Service provided to the Company hereunder, except to the extent such terms and provisions may be inconsistent with the terms and provisions of this Schedule, in which case the terms and provisions of this Schedule will govern and control.

2. DEFINITIONS

The following words or terms shall each have the meanings provided below. Additional defined terms shall be provided throughout the Schedule. Terms not defined herein have the meaning ascribed to them in the Agreement.

- 2.1 "Check" shall have the meaning defined in Regulation CC as promulgated by the Board of Governors of the Federal Reserve System.
- 2.2 "Mobile or Mobile Deposit" means all information, web-based services, technological infrastructure, and downloaded application on the Company's camera equipped smartphones, which allow the Company to submit Checks for deposit through the SNBT for Business Mobile Application.
- 2.3 "Electronic Item" shall mean an image of the front and back of a Check, all of the information from the Magnetic Ink Character Recognition ("MICR") line on the original Check, and the enclosed amount and additional information about the original Check and any other information specified by Bank, in the format specified by Bank.
- 2.4 "Franking" is a method of identifying that a Check has already been deposited by placing a mark or writing "scanned", "mobile deposited" or "processed" on the face of the Check which must not obscure any of the required information on the Check.
- 2.5 "Substitute Check" means a paper reproduction of the original Check that:
 - a) contains an image of the front and back of the original Check
 - b) bears a MICR (Magnetic Ink Character Recognition) line containing all the information on the MICR line of the original Check, except as provided under generally applicable industry standards for Substitute Checks to facilitate the processing of Substitute Checks
 - c) conforms, in paper stock, dimension, and otherwise, with generally applicable industry standards for Substitute Checks;
 - d) and is suitable for automated processing in the same manner as the original Check.

3. RECEIPT, SCANNING AND TRANSMISSION OF ITEMS

The Company shall undertake prudent measures designed to verify the identity of individuals issuing items to the Company. **The Company will endorse all Checks prior to scanning and agrees to identify it as already deposited by franking it.** Checks shall be scanned and transmitted using the SNBT for Business Mobile Application. The Company shall ensure that each Check is endorsed for deposit without any restrictions or conditions. The Company shall identify the Bank, and no other financial institution, as the "Bank of First Deposit" by placing the Bank's Routing Transit Number in the proper field, according to the current image exchange standards. Electronic Items must be transmitted in electronic files (each a "File") that conform to such specifications as the Bank requires, as modified from time to time in the Bank's sole discretion. Files that are transmitted to the Bank on any given day shall not exceed the per File and/or per day dollar limit(s) established for Company by the Bank and communicated to the Company from time to time, or any other dollar limits established and amended by the Bank in its sole discretion.

Taking photos of the checks with smartphones with high resolution ensures the quality and reliance of the system by creating an image of the front and back of the Check. Checks written out in red ink or a gel pen or have a design that is dark in color



may not produce a defined image and therefore should not be accepted by the Company for deposit with Mobile Deposit. The Company agrees to submit files that do not exceed the dollar limit established and agrees to verify the submitted files are “delivered”.

4. SECURED TRANSMISSION

The Company shall transmit Files to Bank in accordance with Bank’s online access and security procedures as described in the Security Schedule to the Agreement, as made available by the Bank. Electronic Items, Files, notices, messages, acknowledgments and information are delivered by the Company and received by the Bank when the Company has satisfactorily completed the applicable security procedures and the Electronic Items, Files, notices, messages, acknowledgments and information have been placed on a Bank storage device that makes such information available for the Bank to retrieve or review. For purposes of determining when Electronic Items, Files, notices, messages, acknowledgments and information have been delivered and received, the Bank’s records shall be determinative.

5. CUTOFF

Files received by the Bank prior to 6:00 p.m. Central Time (“Cutoff Time”) on a Business Day shall be eligible for processing on that Business Day. Files received after the Cutoff Time or on a day that is not a Business Day shall be eligible for processing on the next Business Day.

6. PERMISSIBLE ELECTRONIC ITEM DEPOSITS

The Company hereby warrants that every Electronic Item shall have been captured by the Company from an original Check. If the Company sends an Electronic Item for deposit that was not captured from an original Check, the Company agrees to indemnify, defend and hold harmless the Bank against any financial loss, costs (including but not limited to attorneys’ fees, costs of litigation and consequential losses, if any), claim, harm or damage that the Bank suffers as a result. In its discretion, the Bank may terminate the Service immediately if the Company sends an Electronic Item that was not captured from an original Check.

Any restrictive endorsements (for example, "void after 90 days") are not enforceable against the Bank unless the Bank specifically agrees to the limitation in writing.

The Company hereby further warrants that it will send an Electronic Item for deposit only if the original Check is:

- a. payable to the Company and not to a third party;
- b. not drawn on an account owned, controlled or accessible by a person or entity of the Company, any person or persons who control the Company or an entity that is controlled by persons who control the Company, unless such account contains sufficient funds for the full settlement of the Electronic Item; and
- c. not otherwise in violation of any covenant, term, representation or warranty under this Schedule.

7. IMPERMISSIBLE ELECTRONIC ITEM DEPOSITS

The Company agrees and warrants that the Company will not use the Service to transmit to the Bank for deposit any Electronic Item reflecting:

- a. any original Check that has been previously deposited through the Service or otherwise;
- b. any original Check, the deposit of which is prohibited by the Bank’s then-current procedures pertaining to the Service or is in violation of any applicable law, regulation or rule;
- c. any original Check that the Company knows or suspects or should suspect is fraudulent or otherwise not authorized by the owner of the account on which the original Check is drawn;
- d. Substitute Checks or image replacement documents that are derived from or that purport to be Substitute Checks;
- e. any Check that is drawn on or is payable by or at a bank that is located outside of the contiguous United States, Alaska, Hawaii, the District of Columbia, Puerto Rico or the U.S. Virgin Islands;
- f. any Check that is not permitted for deposit into a designated account, as provided in the applicable account agreement between the Company and the Bank; or
- g. unless otherwise consented to by the Bank, any “remotely created Check,” as that term is defined in Federal Reserve’s Regulation CC, that is, any Check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the Check is drawn.



With respect to each Electronic Item Company sends to the Bank for deposit, the Company agrees to indemnify and reimburse Bank for and hold Bank harmless from and against any and all losses, costs and expenses (including attorneys' fees) the Bank incurs with respect to any warranty or indemnity Bank makes to another party, whether by operation of law or by agreement, with respect to the Check, any electronic representation of the Check, the Electronic Item, any Substitute Check based on the original Check or any paper or electronic representation of a Substitute Check derived from the original Check.

8. RECEIPT AND DEPOSIT OF FILES

Upon receipt of each Electronic Item, the Bank shall, in its sole discretion, determine whether Electronic Items are accepted for processing or rejected. All accepted Electronic Items shall be deposited into the designated Account for processing and settlement. Images in a File must be of such quality that the information on each Electronic Item can clearly be read by sight review. If the Bank notes an error in a File, it may either reject the entire File or correct the error. Electronic Item acceptance shall be indicated by the posting of the Electronic Item contents to the Account. If the Company believes that Electronic Items have been sent to the Bank but Company has not received notice that the Electronic Items have either been accepted for processing or rejected, it is Company's responsibility to contact Bank to inquire about the Electronic Items in question. Company, but not Bank, shall remain liable for any File or Electronic Item that (i) is not actually received by Bank, or (ii) is intercepted or altered by an unauthorized third party. The Bank shall have no obligation to accept a File and may reject any File without liability. The Bank shall solely determine the manner and order in which Electronic Items will be presented for payment to the drawee bank and shall solely select the clearing agents used to collect and present the Electronic Items.

9. RETURNED ITEMS

If images of Electronic Items previously deposited by the Company are dishonored and returned unpaid by the drawee bank, Company understands and agrees that the Electronic Item will be re-presented in accordance with the Account Agreement if applicable, and the Bank may charge back an Electronic Item to the Account by providing an image of the original Check, a paper reproduction of the original Check or a Substitute Check. In such event, an original Check will not be returned to the Company. Unless otherwise instructed by the Bank, the Company shall not attempt to deposit or otherwise negotiate an original Check that has been imaged if it has been charged back to Company. Dishonored Electronic Items are the sole responsibility of Company. Company may request that Bank process returned Electronic Items according to Company's written instructions ("Special Instructions"). Special Instructions, and changes thereto, shall not become effective until acknowledged and accepted by the Bank in writing. Notwithstanding the foregoing, the Bank has no obligation to re-present any returned Electronic Item and may choose to disregard the Special Instructions at any time and charge a returned Electronic Item fee back to the Account. Following initial presentment or any re-presentment of an Electronic Item under this Schedule, if such Electronic Item remains unpaid, the Company shall be notified and the Bank shall have no further liability to the Company for such re-presented Electronic Item. The Company agrees that the Bank may debit any of its accounts maintained with the Bank to obtain payment for any Electronic Item that has been rejected or returned, for any adjustment related to such Electronic Item or for any warranty claim related to such Electronic Item, whether or not the rejection, return, adjustment or warranty claim was made timely. The Bank has no duty to the Company or to any other person to decline or dispute any such rejected or returned item, or to dispute or defend against such adjustment or warranty claim.

10. AVAILABILITY OF FUNDS AND HOLDS

Mobili Deposited Electronic Items are "non-local" items as defined in Federal Reserve Board Regulation CC. Despite this fact, the Bank shall grant provisional credit to the Account for the total amount of an accepted File in accordance with prudent business timeframes. The Company authorizes the Bank to place a hold on funds in the Account if, after performing risk management activities on Electronic Items in a File, the Bank has concerns about or doubts the validity or collectability of an Electronic Item.

11. RETENTION & DESTRUCTION OF ORIGINAL DOCUMENTS



The Company agrees to take appropriate measures to maintain the security and safety of the original Checks and information contained on the Checks. The Company will ensure that the original item will not be duplicated or processed more than one time, will not be physically deposited or negotiated with the Bank or any other entity or financial institution once it has been scanned and accepted into the Mobile Deposit system. **Checks will be retained in a secure location accessed only by authorized personnel for a period of at least 14 calendar days but no longer than 90 calendar days**, at which time, the Company will destroy the original items by shredding or burning unless special arrangements were made between Company and the Bank.

12. SECURITY PROCEDURES

In addition to the terms and conditions in the Security Schedule, the Company agrees to the following provisions:

- a. The Company shall be solely responsible for preventing and safeguarding against unauthorized transmissions and unauthorized access to the following: (i) original Checks; (ii) Electronic Items; and (iii) Files. Such practices, techniques and procedures shall be no less than the security-related requirements set forth in any applicable laws, regulations, regulatory guidelines and rules.
- b. The Company warrants that no individual will be allowed to create Electronic Items and/or transmit them to the Bank in the absence of proper supervision and safeguards and that only Authorized Persons shall authorize transactions pursuant to this Schedule and transmit the Electronic Items and instructions related thereto to the Bank.

13. CONTINGENCY

In the event that the Company is unable to submit the deposit through the Mobile Deposit system due to phone, internet, or application problems, the Company can submit deposits personally, mail the deposit or use an overnight delivery system. The Company may also contact the Bank for other options for deposit.

14. INVESTIGATIONS

The Company will provide any assistance necessary to the Bank in any reasonable investigation the Bank undertakes in connection with unusual transaction items or volume, poor image quality, or any other matter. Such Company assistance may include, without limitation, the provision of imaged or original documentation to the Bank.

15. MISCELLANEOUS ISSUES

- a. Storage of Information. The Bank shall store and retain imaged documents accepted from the Company according to the Bank established methods and pursuant to the available storage options. All data storage media, security procedures, data, information, software, documentation and similar related records and materials used by the Bank for the Service shall be and remain the Bank's property.
- b. Risk Parameters. Any Electronic Item or File activity that falls beyond any risk parameters established by the Bank will constitute a breach of this Schedule. In such event, the Company authorizes any additional actions as the Bank deems necessary including, but not limited to, suspension of any Services provided under this Schedule.
- c. System Capabilities: Scanners. The Company understands that if its smartphone and Internet and Data connectivity does not comply with the minimum recommendations of the Bank, the Service might not perform in an optimal manner. The Company will be provided with all necessary equipment from Bank pursuant to a separate agreement.
- d. Financial Information. The Company authorizes (i) the Bank to make any credit inquiries they consider necessary to review the acceptance and continuation of this Schedule, and (ii) any credit reporting agency to provide information to the Bank. If necessary to make credit inquiries as to a Company owner or affiliate, Company shall promptly obtain authorization for the Bank to do so. The Company will provide the Bank with financial information as requested from time to time. The Company will provide such information within sixty (60) days of the Bank's request.
- e. Services From Others. A third party may provide services, special equipment or software to assist the Company in processing Electronic Items, Files and other business transactions, including authorizations and settlements, or accounting functions hereunder ("Third Party"). The Company (i) agrees that any Third Party is acting as the Company's agent in the delivery of Electronic Items and Files to Bank and (ii) agrees to assume full responsibility and liability for any failure of a Third Party to comply with this Schedule. The Bank will not be liable for any losses



or additional costs incurred by the Company as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party.

16. INDEMNIFICATION, LIMITATION OF LIABILITY

In addition to other indemnification and liability provisions in the Agreement, the Company shall indemnify and hold the Bank, its parent, employees and agents harmless from and against any and all claims, damages, losses, demands, liabilities and expenses (including reasonable attorneys' fees and litigation expenses) arising directly or indirectly from or relating in any manner to: (i) Company's failure to satisfy its obligations under this Schedule; (ii) Company's failure to exercise ordinary care in connection with its duties under this Schedule; (iii) Company's breach of any warranties and representations in this Schedule and/or any provision in this Schedule; (iv) the dishonor or otherwise return unpaid by the drawer bank, or return by a clearing agent, for any reason, of any Check and/or Electronic Item presented to Bank by Company; (v) any actions or omissions taken by Bank that were reasonably believed to be taken pursuant to this Schedule or any other action taken or omitted by Bank in good faith pursuant to its responsibilities under this Schedule; (vi) any actions by any agent employed by Company that result in a breach of this Schedule by Company; (vii) to the extent that it involves Bank, any litigation asserting noncompliance on Company's part with applicable rules, laws, regulations or other requirements; and (viii) from any claim of any person that Bank is responsible for any act or omission of Company or any other person acting on behalf of Company.

17. WARRANTIES

In addition to the Company's representations and warranties under the Agreement, the Company represents and warrants to the Bank and agrees that:

- a. the Company will transmit only Electronic Items to Bank for deposit that comply with the provisions of this Schedule;
- b. each Electronic Item transmitted by the Company to the Bank contains an accurate representation of the front and back of the original Check;
- c. all information submitted by the Company to the Bank is complete and accurate and complies with the provisions of this Schedule and the Agreement;
- d. Company is not a consumer, each designated account is used for business purposes only and is not a consumer account, and the Service shall be used only for business purposes;
- e. all signatures on the original Check from which an Electronic Item is derived are authentic and authorized;
- f. each Check from which an Electronic Item is derived is authentic and has not been altered;
- g. each Electronic Item transmitted to Bank is an accurate, authentic replica of an original Check, and the Electronic Item has not been altered;
- h. the Company is entitled to enforce each Check from which an Electronic Item is derived;
- i. no Check from which an Electronic Item is derived is subject to a defense or claim in recoupment of any party that can be asserted against Company;
- j. the Company has no knowledge of any insolvency proceedings commenced with respect to the maker or acceptor or, in the case of an unaccepted Check, the drawer of any Checks from which an Electronic Item is derived;
- k. the Company shall not knowingly or unknowingly transmit or cause to be transmitted to Bank any computer virus or any malicious code and shall take commercially reasonable steps to prevent such transmissions from occurring;
- l. Company **will not**: (1) create a duplicate Electronic Item of an original Check; (2) transmit a duplicate Electronic Item to the Bank or to any other person for collection or presentment; or (3) deposit or otherwise negotiate the original of any Check from which an Electronic Item has been created;
- m. no subsequent transferee of an Electronic Item, including but not limited to the Bank, a collecting or returning bank, drawer, drawee, payee or endorser, will be asked to pay an original Check from which an Electronic Item was created or to pay a duplicate of an Electronic Item;
- n. no subsequent transferee of an Electronic Item, including but not limited to the Bank, a collecting or returning bank, drawer, drawee, payee or endorser, shall sustain a loss as a result of an Electronic Item (or any item or returned Check derived from the Electronic Item) being presented for payment or returned, instead of the original Check;
- o. Authorized Persons have been duly authorized by the Company to act in the capacity provided for in this Schedule; and



- p. the Company shall perform its obligations under this Schedule in accordance with, and shall not perform any acts or omissions that would cause Bank to violate, any applicable rules (including but not limited to applicable rules of trade associations, clearinghouses and payment processors), requirements, laws, regulations, sanctions, executive orders and regulatory guidelines including, but not limited to, the following: U.S. federal or state laws and regulations; foreign laws, regulations and/or directives; the sanctions laws, regulations and executive orders administered by the Office of Foreign Assets Control (“OFAC”); laws, regulations and orders administered by FinCEN; any applicable rules; Federal Reserve Operating Circulars; and any applicable state laws, regulations, orders or regulatory guidelines.