

Mobile Deposit Terms and Conditions

Alden State Bank

- 1. Introduction.** Your use of the Alden State Bank Mobile Deposit Service is governed by the terms of the Online Banking Agreement and these Mobile Deposit Terms and Conditions. These terms and conditions are incorporated by reference into the Online Banking Agreement. Terms used in this Agreement but not defined shall have the meaning given to them in the Online Banking Agreement and references in these terms and conditions to “this Mobile Deposit Agreement” or “this agreement” are references to the Online Banking Agreement as supplemented by these terms and conditions. Upon your enrollment in Mobile Deposit Service, references in the Online Banking Agreement to “Online Banking” include Mobile Deposit Service. You may review the Online Banking Agreement at www.aldenstate.com. Your enrollment in Mobile Deposit Service constitutes your agreement with the terms of the Online Banking Agreement and this Mobile Deposit Agreement. Mobile Deposit Service is available exclusively on our Apple® iPhone®, Apple® iPad®, Phone for Android™ and Tablet for Android™ Apps.
- 2. Meaning of some words.** In this agreement:

 - a. “Business Day” means every day except Saturdays, Sundays and federal holidays.
 - b. “Electronic Item” means the electronic image of any Paper Item and other information captured from the Paper Item.
 - c. “Paper Item” means any check, substitute check, purported substitute check, draft, demand draft, preauthorized draft, image replacement document, money order, cashier’s check or traveler’s check in paper form.
 - d. “Paying Bank” means the bank on which a Paper Item is drawn or through which a Paper Item is payable.
- 3. Description of Mobile Deposit Service.** Mobile Deposit Service enables you to use the camera of a mobile device to (i) create electronic images of the front and back of certain Paper Items and (ii) transmit those images and other information, including, but not limited to, information captured from the magnetic ink character recognition (“MICR”) line, to us for review and processing as a deposit to an approved deposit account in accordance with this Agreement. After we receive your transmission, we will review each Electronic Item. For each Electronic Item that we determine is eligible for processing as described below, we will either (i) create a substitute check that we will present directly or indirectly to the Paying Bank, (ii) include the Electronic item in an electronic file for presentment directly or indirectly to the Paying Bank or (iii) present or post any Electronic Item for which we are the Paying Bank.
- 4. Creating and transmitting Electronic Items to us.** You may use Alden State Bank Online Banking and an Alden State Bank Mobile Application on your mobile device to create electronic images of checks and other Paper Items that you wish to deposit to any approved deposit account by means of the Mobile Deposit Service and to transmit your Electronic Items to us. The following items **may not** be deposited using the Mobile Deposit Service:

 - a. checks drawn on a financial institution located outside the United States;

- b. remotely created checks (whether in paper form or electronically created);
 - c. substitute checks (whether in paper form or electronically created);
 - d. checks drawn against a line of credit;
 - e. cash;
 - f. checks payable to any person or entity other than you;
 - g. checks payable to you and another person or persons jointly unless deposited into an account in the name of all payees;
 - h. checks containing obvious alteration to any of the fields on the front of the check, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn;
 - i. checks with an endorsement on the back other than that specified in Section 5 of this agreement;
 - j. checks that have previously been negotiated, submitted to us using the Mobile Deposit Service or through a remote deposit capture service offered at another financial institution;
 - k. checks dated more than six (6) months prior to the date of deposit;
 - l. checks not payable in United States currency; and
 - m. checks which have been returned for insufficient funds or stop payment.
5. Endorsement. You agree to restrictively endorse any check transmitted using the Mobile Deposit Service with your name and the legend "For Mobile Deposit Only."
6. **Image Quality.** Both the front and the back of each Paper Item must be transmitted and must be legible. The image must meet the standards for image quality established from time to time by the American National Standards Institute (ANSI), the Federal Reserve Board, and any other regulatory agency, clearing house or association.
7. **Processing your Electronic Item/Cut-off time.** If you transmit your Electronic Item(s) to us before the 2:50 p.m. Eastern Time cut-off time for electronic deposits on any business day we shall review and process your Electronic Item(s) on that business day. If you transmit your Electronic Item(s) to us after the 2:50 p.m. Eastern Time cut-off time for electronic deposits on any business day or on any non-business day, we will review and process your Electronic Item(s) on the next business day.
8. **Exception items.** Each business day on which we review and process your Electronic Item(s) we will use commercially reasonable efforts to review each Electronic Item and to reject any electronic Item that we in our sole discretion deem ineligible for Mobile Deposit Service (each an "Exception Item"). Exception Items include, but are not limited to, an item that (a) is illegible or contains MICR data that is not machine readable, (b) was previously processed as an Electronic Item, (c) is identified in Section 4 of this agreement as ineligible for deposit using Mobile Deposit Service, (d) is not properly endorsed as specified in Section 5 of this agreement, or (e) is drawn on a financial institution located outside the United States and is not payable at or through a financial institution located within the United States. We will notify you of each Exception Item. If you wish to deposit any Exception Item to your account you may do so only by depositing the

original Paper Item on which the Exception Item is based or as otherwise agreed between us. Even if we do not identify an Electronic Item as an Exception Item when we review and process the Electronic Item, the Electronic Item, substitute check or purported substitute check created by us from it may nevertheless be returned to us because, among other reasons, the Paying Bank determines that such item or check is illegible or missing an image.

- 9. Deposits to your account.** Subject to our right to identify and reject Exception Items, we shall be deemed to have accepted for deposit each Electronic Item that is not an Exception Item on the business day that we process the Electronic Item.
- 10. Availability of funds.** Electronic Items deposited using Mobile Deposit Service are not subject to the funds availability requirements of Federal Reserve Board regulation CC. We will generally make funds available from an Electronic Item on the business day we process the item unless it is identified by us as an Exception Item or we require further review of the item.
- 11. Transaction limitations.** You may not use the Mobile Deposit Service to deposit an individual item in an amount in excess of \$2,000.00 or to deposit multiple items on any given business day totaling more than \$2,500.00.
- 12. Your warranties to us.** You represent and warrant to us that:
 - a. You will use the Mobile Deposit Service only for Paper Items that are payable to, and endorsed by, you.
 - b. You will properly secure all hardware and software you use in connection with the Mobile Deposit Service (including, but not limited to, maintaining the confidentiality and security of your mobile device, access number(s), password(s), security question(s) and login credentials used to access the Mobile Deposit Service).
 - c. You will maintain control over and be responsible for secure retention, storage, and destruction of original Paper Items for which you have created an Electronic Item. After transmitting the Electronic Item to us you will retain and securely store the original Paper Items for a minimum of two (2) calendar days, but no more than fourteen (14) calendar days, from the transmission date. During that time period and upon our request you agree to provide us with the original Paper Item(s). Upon the expiration of that time period and after confirming that you have received credit you will securely and irretrievably destroy or clearly void original Paper Items from which you have previously created and submitted to us an Electronic Item.
 - d. You will not submit any duplicate Electronic Items to us.
 - e. You will not deposit or otherwise negotiate any original Paper Item from which you have previously created and submitted to us an Electronic Item unless we have notified you that the Electronic Item is an Exception Item and was not accepted for deposit.
 - f. You will transmit to us only Electronic Items that are suitable for processing, including, but not limited to, Electronic Items that are legible and contain machine-readable MICR data.
 - g. Each signature on any Paper Item you deposit using the Mobile Deposit Service is authentic and authorized and the Item has not been altered.

- h. You will only transmit Electronic Items that are drawn on or payable through banks located within the United States.
- i. You will review and verify for accuracy the information contained in each Electronic Item before you transmit it to us.
- j. You will not store or make a back-up copy of any Electronic Item.

5. **Your duty to report errors.** We will provide you with periodic statements for your deposit accounts that will identify the deposits you make using the Mobile Deposit Service. In addition, you may access Online Banking at any time to view transactions to your accounts. You agree that it is your responsibility to review such information in a timely manner to verify that deposits made using the Mobile Deposit Service have been received and processed by us and are accurate. Receipt of an Electronic Item by us through the Mobile Deposit Service is not an acknowledgment by us that the Electronic Item is error-free or that we will be liable for the Electronic Item. You agree to notify us of any errors, omissions or discrepancies in a deposit as promptly as practicable. We will not be liable for the error if you do not notify us of the error in time for us to receive the notice within 30 days after the date we send you or otherwise make available to you the periodic statement for the time period covering the deposit of the Electronic Item. If you bring a legal proceeding against us because of the error, we will not be liable for the error if you do not begin the legal proceeding within one year after we send you or otherwise make available to you the periodic statement even if you notify us of the error within the 30 days and even if you sue us in connection with any legal proceeding we bring against you.
6. **Deposit Limits.** We reserve the right to establish limits on the individual dollar amount, total dollar amount and number of items that may be deposited by you using the Mobile Deposit Service each day and to modify such limits from time to time in our sole discretion. If you attempt to make a deposit in excess of these limits we may reject your deposit.
7. **Equipment, services and software.** You are responsible for the selection, installation, maintenance, operation and use of any equipment (for example, a mobile device), service (for example, a telecommunication or internet access service) or software (for example, an application used with a mobile device) used by you or on your behalf in connection with the Mobile Deposit Service. You assume all risks of loss resulting from the selection, installation, maintenance, operation or use of the equipment, service or software (for example, a failure of a telecommunication or internet access service to provide, or a delay by a telecommunication or internet access service in providing, a service). **EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW, WE WILL NOT BE LIABLE FOR ANY DAMAGES (FOR EXAMPLE, ACTUAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES), WHETHER ARISING FROM BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHER TORT OR STRICT LIABILITY OR OTHERWISE, THAT RESULT FROM ANY ERROR IN SELECTING, INSTALLING, MAINTAINING, OPERATING OR USING, UNAVAILABILITY, FAILURE, MALFUNCTION OR INTERRUPTION OF, COMPROMISE OF DATA SENT USING OR VIRUS OR SIMILAR PROBLEM RESULTING FROM THE EQUIPMENT, SERVICE**

OR SOFTWARE, EVEN IF WE ARE NOTIFIED OF OR OTHERWISE KNOW OR SHOULD KNOW OF THE POSSIBILITY OF THOSE DAMAGES.

You must indemnify us against any liability or expense that is incurred by, imposed on or asserted against us as a result of any claim that the operation or use of the equipment, service or software by you or on your behalf in connection with Mobile Deposit Service infringes any copyright, patent, trademark, trade secret or other property right of any party.

5. **Reimbursement and indemnification.** Without limiting any other obligation you have under this agreement to reimburse us, you must reimburse us for any liability or expense incurred by us as a result of our hiring an attorney to enforce any of your obligations under this agreement or with respect to Mobile Deposit Service. Without limiting any other obligation you have under this agreement to indemnify us, you must, except to the extent that this agreement imposes liability on us or to the extent prohibited by applicable law, indemnify us and each agent of ours against any liability or expense that is incurred by, imposed on or asserted against us or the agent as a result of any claim arising in connection with the use of Mobile Deposit Service by you or on your behalf (for example, as a result of our following any instruction to us, acting on any information or document that we receive from you or anyone acting on your behalf or any failure by you or anyone acting on your behalf to maintain the security of any identifier or any equipment (for example, a mobile device)). We may charge the amount of the liability or expense for which you must reimburse us or against which you must indemnify us against any approved deposit account or any other deposit account of yours with us or collect it in any other way.
6. **Disclaimer of Warranties.** **TO THE EXTENT ALLOWED BY APPLICABLE LAW, MOBILE DEPOSIT SERVICE IS PROVIDED BY US “AS IS,” “AS AVAILABLE” AND WITHOUT ANY WARRANTY OF ANY KIND. WITHOUT LIMITING THE PRECEDING SENTENCE, WE DO NOT MAKE, EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW, AND WE DISCLAIM, TO THE EXTENT ALLOWED BY APPLICABLE LAW, ANY EXPRESS, IMPLIED, STATUTORY OR OTHER WARRANTY OF ANY KIND (FOR EXAMPLE, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) CONCERNING MOBILE DEPOSIT SERVICE.**
7. **Limitations.** When using Mobile Deposit Service, you may experience technical or other difficulties that are outside of our control. In addition, maintenance to Mobile Deposit Service may be performed from time to time and may result in interrupted service, delays or errors. We are not responsible for any damages that you may incur as a result of such difficulties.
8. **Cancellation or suspension.** We may cancel or suspend your right to use Mobile Deposit Service at any time. The cancellation or suspension will take effect immediately unless we decide to have it take effect later. The cancellation or suspension will not affect any of your obligations under this agreement. For example, you will remain liable under Section 15 of this agreement.
9. **Agreement.** By enrolling in Mobile Deposit Service, using Mobile Deposit Service or allowing anyone else to have any identifier or to use Mobile Deposit Service, you agree to be bound by

all provisions of the Online Banking Agreement and this agreement, all our instructions and requirements concerning Mobile Deposit Service and all legal terms and conditions contained on our website.