

Mobile Deposit Terms & Conditions

PLEASE CAREFULLY REVIEW THESE TERMS AND CONDITIONS BEFORE PROCEEDING:

This Mobile Deposit Agreement (“Agreement”) between you and The State Bank of Faribault contains the terms and conditions governing your use of the Mobile Deposit capture services The State Bank of Faribault (“us” or “we”) may provide to you. “Customer”, “you”, and “your” refer to each person and organization or legal entity that enrolls in the Service and each person authorized to use a Service log-in ID and password. Other agreements you have entered into with The State Bank of Faribault, including without limitation, the NetTeller Authorization Agreement, Bill Pay Service Agreement and the Deposit Account Agreement and Disclosure, are incorporated herein by reference. Except as modified by this Agreement, all terms and conditions in The State Bank of Faribault. NetTeller Authorization Agreement and Bill Pay Service Agreement remain in full force and effect. If there is a conflict with the The State Bank of Faribault NetTeller Authorization Agreement and Bill Pay Service Agreement (the “Agreement”) and this Agreement, this Agreement shall control. To access Mobile Deposit you must be a The State Bank of Faribault customer, NetTeller customer and Mobile Banking customer. If you are not a NetTeller user, you will first need to enroll by completing a NetTeller Application, which you can obtain at one of our branch locations. By clicking the “I Agree” button or use of the Service you agree to all the terms, conditions, and notices contained or referenced in this Agreement. All references to time in this Agreement refer to Central Standard time. Access to and use of the Mobile Banking Service is subject to all applicable federal, state, and local laws and regulations.

1. Services. The Mobile Deposit Services (“Services”) are designed to allow you to make deposits into certain accounts that are eligible to receive mobile check deposits (“Mobile Accounts”) by converting checks into an image by taking pictures of checks and delivering the images and associated deposit information to The State Bank of Faribault via an application (the “App”) installed on your supported mobile device. The App is considered part of the Service. Use of the Service requires a web-enabled mobile phone or device whose network allows secure SSL traffic and supports WAP browsers. Mobile Deposit Services are made available to The State Bank of Faribault customers at the sole discretion of The State Bank of Faribault and may not be available to all The State Bank of Faribault customers. a. Mobile Deposit. If you have signed up and been approved for Mobile Deposit Service, the Service allows you to deposit checks to Accounts with your mobile device. Some restrictions apply. See below for details. b. New Services. From time to time, we may develop additional features that will become part of the Mobile Banking Service. As such features are developed, you will have the opportunity to add them to your Mobile Banking Service, provided you have compatible hardware and software and meet any other eligibility requirements.

2. Eligibility and Registration. To use the Service, you must have an active account with The State Bank of Faribault, register for NetTeller Online Banking, and have a compatible Mobile Device. The Service is available after you have established an eligible account. Subject to Bank approval.

3. Acceptance of these Terms. Your use of the Services constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via one or more of the following methods: an alert when you sign into the service, email, text message, or on our website providing a link to the revised Agreement or by an online secure message. Your continued use of the Services will indicate your consent to be bound by the revised Agreement. Further, The State

Bank of Faribault reserves the right, in its sole discretion, to change, modify, add, or remove portions from the Services. We further reserve the right to suspend or discontinue the Service, in whole or part, immediately and at any time without prior notice to you. Your continued use of the Services will indicate your acceptance of any such changes to the Services. We reserve the right to deny you access to the Service (or any part thereof) if we believe that any loss, theft, or unauthorized use of Access Information has occurred.

4. Eligible Checks and Items. You agree to scan and deposit only “checks” as that term is defined in Federal Reserve Regulation CC (“Reg CC”) and only those checks that are permissible under this Agreement or such other items as we, in our sole discretion, elect to include under the Service. You authorize us to process any image that you send us or convert any image to an Image Replacement Document (IRD) for subsequent presentment and collection. It shall thereafter be deemed an “item” within the meaning of Articles 3 and 4 of the applicable Uniform Commercial Code. You agree that you will not use the Service to scan and deposit any checks or other items as shown below:

- a. Checks or items payable to any person or entity other than you, or to you and another party;
- b. Checks payable to any person or entity other than the person or entity that owns the account into which it is being deposited;
- c. Checks or items containing alteration to any of the fields on the front of the check or item (including MICR line), 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 or item is drawn;
- d. Checks or items previously converted to a substitute check, as defined in Reg CC;
- e. Checks or items drawn on a financial institution located outside of the United States;
- f. Checks or items that are remotely created checks, as defined in Reg CC, and checks that have previously been submitted through the Service or through a remote deposit capture service offered at any other financial institution;
- g. Checks or items not payable in United States currency;
- h. Checks or items dated more than 6 months prior to the date of deposit;
- i. Checks or items on which a stop payment order has been issued or for which there are insufficient funds;
- j. Checks or items prohibited by our current procedures relating to the Service or which are otherwise not acceptable under the terms of your Mobile Account;
- k. Checks with any endorsement on the back other than that specified in this Agreement;
- l. Official Checks including bank money orders, postal money orders, cashier’s checks, certified checks;
- m. Insurance drafts;
- n. Credit card cash advance checks;

o. The State Bank of Faribault, at its sole discretion, may determine the types of checks and other items accepted for deposit to your account through the Service.

p. Nothing in this Agreement should be construed as requiring The State Bank of Faribault to accept any check or item for deposit, even if The State Bank of Faribault has accepted that type of check or item previously. Nor shall The State Bank of Faribault be required to identify or reject any checks or items that you may scan and deposit that fail to meet the requirements of this Agreement.

5. Security of Your Mobile Device and Account Information. You are responsible:

a. to maintain the confidentiality and security of your Mobile Devices, access number(s), password(s), security questions(s) and answer(s), account number(s), login information, and any other security or access information, used by you to access the Service (collectively, "Access Information").

b. to prevent unauthorized access to or use of information, files, or data that you store, transmit or use in or with the Service (collectively, "Account Information").

c. not to supply your Access Information to anyone.

d. for all electronic communications, including image transmissions, email, and other data ("Communications") entered using the Access Information. Any Communications received through the use of the Access Information will be deemed to be sent or authorized by you.

e. to immediately notify us if you become aware of any loss, theft, or unauthorized use of any Access Information, including your Mobile Devices.

f. not to use any personally identifiable information when providing shortcuts or creating nicknames to your Accounts. You will not use account numbers in shortcuts or nicknames.

g. to implement and maintain the latest security-related settings and updates on your Mobile Device and Cellphone (as applicable).

6. Image Quality. You are responsible for the image quality of any check that you transmit. The image of a check transmitted to The State Bank of Faribault using the Service must be legible. The image quality of the checks must comply with the standards established from time to time by any clearing house we use, agreement we have with respect to processing checks, or any higher standard set by us. You agree that we shall not be liable for any damages resulting from a check's poor image quality, including those related to rejection of or the delayed or improper clearing of such a check, or from any inaccurate information you supply regarding the check.

7. Endorsements and Procedures. Before transmission, you agree to endorse any check or item transmitted through the Service by signing or as otherwise instructed by The State Bank of Faribault. You agree to follow any and all other procedures and instructions for use of the Service as we may establish from time to time. You agree to supply any information in your possession that we may request regarding a check or item deposited or attempted to be deposited through the Service.

8. Receipt of Checks and Items. We reserve the right to reject any check or item transmitted through the Service, at our discretion. We are not responsible for checks or items we do not receive in accordance with this Agreement or for images that are dropped or damaged during transmission. An image of a check or item shall be deemed received when you receive a confirmation from The State Bank of

Faribault that we have received the image. Receipt of such confirmation does not mean that the transmission was error free, able to be processed or complete or that funds will be credited for that check or item.

9. Availability of Funds and Mobile Deposit Cutoff Time. In general, if an image of an item you transmit through the Service is received and accepted before our cut-off time for the Services, we consider that Business Day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next Business Day we are open. The cut-off time for Mobile Deposits is 4 PM CST. We will make funds available for checks and items received, accepted, and successfully processed through the Service according to our standard funds availability policy. Additional detail with respect to our Funds Availability Policy is located in the Deposit Account Agreement and Disclosure given at new account creation.

10. Business Day. A Business Day is Monday through Friday, excluding Federal holidays.

11. Disposal of Transmitted Checks and Items. Upon your receipt of confirmation from The State Bank of Faribault that we have received an image that you transmitted; you agree to retain the check for at least 10 business days from the date of the image transmission. After 10 days, you agree to destroy the check that you transmitted as an image, mark it "VOID", or otherwise render it incapable of further transmission, deposit, or presentment. During the time the check is available, you agree to promptly provide it to The State Bank of Faribault upon request. Shredding is the best method of destroying the check.

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

13. Deposit Limits. We reserve the right to impose limits on the account(s), amounts and/or number of deposits (over a period of time set by us) that you may transmit using the Service and to modify such limits from time to time. If you attempt to initiate a deposit in excess of these limits, such deposit will be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times. Currently, the standard limits are as follows:

a. The per item/per day maximum amount is \$10,000

b. The per month maximum amount is \$25,000

c. Exceptions, may apply in pre-approved situations.

d. We reserve the right, in our sole discretion, to change, modify, add, or remove deposit limits at any given time without prior notice to you.

14. Fees for Mobile Deposit: There will be a convenience fee of \$0.00 per item deposited for consumer account. A \$20 monthly service fee will be applied to all business accounts that enroll in Mobile Deposit.

15. Presentment. The manner in which the checks and items are cleared, presented (or represented) for payment, and collected shall in The State Bank of Faribault's sole discretion as set forth in the relevant deposit account agreement governing your Mobile Account.

16. Account Statement Examination. All deposits made through The State Bank of Faribault Mobile Deposit Service shall be deemed to be correct, unless you notify Bank of any errors within 30 days after the applicable account statement is mailed or otherwise provided to you.

17. IRD Processing. Items may be transmitted for electronic processing by other banks or converted to IRDs (Image Replacement Documents) and transmitted to a printing facility for printing and clearing through traditional paper processing channels, at Bank's sole discretion. The IRDs will be created in accordance with Check 21. Alternatively, Bank may process items as photocopies in lieu of originals, under guidelines that are consistent with applicable industry standards. Items that fail to satisfy your warranties made to Bank, that fail to meet the requirements of Bank or Check 21, or that are otherwise not able to be processed may be charged back to your account, returned to you, or both. You agree to be bound by any laws, rules and regulations that are applicable to Bank.

18. Use of Your Geolocation. When you are submitting an image for processing through the Services, we reserve the right to, at our discretion, use your Mobile Device's capabilities to obtain your geolocation for fraud prevention services. We may choose to capture either your current location or the last location stored on your Mobile Device.

19. Warranties/Indemnity. You warrant to The State Bank of Faribault that:

- a. You will only transmit eligible items;
- b. You will not transmit duplicate items;
- c. You will not deposit, redeposit or represent the original check with The State Bank of Faribault or any other party;
- d. You will comply with this Agreement and all applicable rules, laws and regulations;
- e. You are not aware of any factor which may impair the collectability of the item; You agree to indemnify and hold harmless The State Bank of Faribault from any loss for breach of this warranty provision or the terms of this Agreement.

20. Changes to the Service. We reserve the right to terminate, modify, add and remove features from the Service at any time in our sole discretion. You may reject changes by discontinuing use of the Service. Your continued use of the Service will constitute your acceptance of and agreement to such changes. Maintenance to the Service may be performed from time-to-time resulting in interrupted service, delays or errors in the Service and we shall have no liability for any such interruptions, delays or errors. Attempts to provide prior notice of scheduled maintenance will be made, but we cannot guarantee that such notice will be provided.

21. Fees. You are responsible for paying the fees for use of the Service as The State Bank of Faribault may charge from time to time. The State Bank of Faribault may change the fees for the Services at any time. You authorize The State Bank of Faribault to deduct any such fees from the account into which you made the deposit.

22. Termination. We may terminate this Agreement at any time for any reason. This Agreement shall remain in full force and effect unless and until it is terminated by us. Without limiting the foregoing, this Agreement may be terminated if you breach any term of this Agreement, if you use the Services for any

unauthorized or illegal purposes or you use the Services in a manner inconsistent with the terms of any agreement you entered into with us.

23. Disclaimer of Warranties. You agree your use of the services and all information and content (including that of third parties) is at your risk and is provided on an “as is” and “as available” basis. We disclaim all warranties of any kind as to the use of the services, whether express or implied, including but not limited to the implied warranties of merchantability, fitness for a particular purpose and non-infringement. We make no warranty that the Services: (a) will meet your requirements; (b) will be uninterrupted, timely, secure, or error-free; (c) the results that may be obtained from the Service will be accurate or reliable; and (d) any errors in the services or technology will be corrected.

24. Limitation of Liability. You agree that we will not be liable for any direct, indirect, incidental, special, consequential or exemplary damages, including, but not limited to, damages for loss of profits, goodwill, use, data or other losses resulting from the use or the inability to use the Services incurred by you or any third party arising from or related to the use of, inability to use, or the termination of the use of the Services. Regardless of the form of action or claim (whether contract, or, strict liability or otherwise), even if The State Bank of Faribault has been informed of the possibility thereof.

25. Indemnification. Unless caused by our intentional misconduct or negligence, you agree to indemnify, defend and hold harmless Bank, its affiliates, officers, directors, employees, consultants, agents, service providers, and licensors from any and all third-party claims, liability, damages, expenses and costs (including, but not limited to, reasonable attorney’s fees) caused by or arising from (a) A third party claim, dispute, action, or allegation of infringement, misuse, or misappropriation based on your information, data or files, or otherwise in connection with your use of the service; (b) Your violation of any law or rights of a third party; or (c) Your use, or use by a third party, of the Mobile Deposit Service.

26. Contact Information. In case of questions about the Service, please contact us using the following information. Our representatives are available to assist you from 8:00 AM to 5:00 PM, Monday through Friday, excluding Federal holidays. Please do not send confidential information in email, such as account numbers. Note email is not secure and you should not include account or confidential information.

Electronic Funds Transfer Disclosure

Computer Transfer: You may access your account(s) by computer at www.tsbfc.com using your NetTeller ID and PIN.

- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from checking to checking
- Transfer funds from savings to savings
- Make payments from checking to loan accounts with us
- Make payments from savings to loan account(s) with us

- Make payments from saving & checking to Home Equity Line of Credit with us
- Get checking account(s) information
- Get savings account(s) information
- Transfers funds from Home Equity Line of Credit to checking account
- Pay bills online

Mobile Banking Transfers: You may access your account(s) by web-enabled cell phone or mobile device via The State Bank of Faribault's mobile app or at www.tsbfc.com using your NetTeller ID and PIN.

- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from checking to checking
- Transfer funds from savings to savings
- Make payments from checking to loan accounts with us
- Make payments from savings to loan account(s) with us
- Make payments from saving & checking to Home Equity Line of Credit with us
- Get checking account(s) information
- Get savings account(s) information
- Transfers funds from Home Equity Line of Credit to checking account
- Pay bills online
- Make deposits to checking and savings accounts with us (subject to bank approval)
- See Terms and Conditions for Mobile Deposit Limitations
- You may be charged access fees by your cellular provider based on individual plans. Web access is required to use this service. Check with your cellular provider for details on specific fees and charges.

External Transfers

You may use the external transfer service to transfer funds to or from an eligible State Bank of Faribault account and other account held by you another U.S. financial institution. Transfers may be scheduled to occur one time, for a future date, or on a specific recurring basis. You may not make transfers in excess of the limits defined in this agreement. We reserve the right to change these limits from time to time. We also reserve the right to lower transfer limits, suspend, or restrict access to use the external transfer service immediately and without prior written notice to you. You understand and agree that such action is reasonable for us to take in order to protect ourselves from loss. In the event of suspension, you may

request reinstatement of services by contacting us at 507-332-7401. We reserve the right, in our sole discretion, to grant or deny reinstatement of services. Default daily limits are \$25,000 outgoing and unlimited incoming. The State Bank of Faribault, at its sole discretion, change, modify, add, or remove portions or limits to the Service. We further reserve the right to suspend or discontinue the Service, in whole or in part, immediately and at any time without prior notice to you. Transfers may take up to 3 business days to post to your account. All incoming transfers will have a three-day hold, delaying availability of funds transferred. Please note the receiving financial institution could place a hold on the funds or delay availability.

Fees: See Fee schedule

Amendments and Termination

We reserve the right to amend any terms in this disclosure and to terminate your online transfer privileges upon giving written notice to you within a reasonable period of time of amendment or termination. You may terminate your online transfer privileges by notifying us.

Financial Institution's Liability

Liability for failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the system was not working properly and you were aware of the issues when you started the transfer.
- If circumstances beyond our control (such as flood or fire) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreements with you.

Confidentiality

We will disclose information to third parties about your account or the transfers you make as explained in the separate Privacy Disclosure received at account opening.

** For a copy of your entire Electronic Funds Transfer Discloser, please contact a customer service representative at (507) 332-7401.