

## **MOBILE DEPOSIT CAPTURE TERMS & CONDITIONS**

These terms and conditions shall accompany Citizens State Bank Online Banking Service Agreement along with Terms and Conditions for Citizens State Bank Mobile Banking and Deposit Agreement. Mobile Deposit Capture (“MDC”) enables accountholders to use CITIZENS STATE BANK OF ROSEAU’S Mobile Banking application and a mobile device such as a smartphone to create electronic images of the front and back of a check and transmit those images and any other information to CITIZENS STATE BANK for review and processing.

CITIZENS STATE BANK will review each electronic image submitted to determine its eligibility for deposit processing and if eligible, create a substitute check image to be used for presentment to the Paying Bank. Customers may check the status and availability of deposits on their mobile device within CITIZENS STATE BANK OF ROSEAU’S Mobile Banking application.

### **DEPOSIT CUT-OFF TIME/LIMITS/ENDORSEMENTS**

Any image received by CITIZENS STATE BANK after 2:30 pm Central Time will be processed as if received on the following business day.

The maximum you may deposit on any one item is \$20,000. The combined total of mobile deposits may not exceed \$20,000 per business day per user. CITIZENS STATE BANK may change deposit limits on any account, at any time, without notice and at its sole discretion. You may request a change to these limits; however, approval is at the sole discretion of CITIZENS STATE BANK.

Any item transmitted through MDC must be restrictively endorsed as ***CITIZENS STATE BANK MOBILE DEPOSIT*** along with ***SIGNATURE OF THE PAYEE***. Any other endorsement shall be grounds for CITIZENS STATE BANK to reject the electronically submitted item.

CITIZENS STATE BANK may choose to refuse or return any mobile deposit at any time. CITIZENS STATE BANK is not liable for doing so, even if it causes checks to be returned or an overdrawn situation to occur. Any image of an item shall be deemed received when you receive confirmation of “Pending Deposit” status in CITIZENS STATE BANK OF ROSEAU’S Mobile Banking application. CITIZENS STATE BANK is not responsible for any image that we do not receive.

### **YOUR RESPONSIBILITIES**

***You are*** solely responsible for the proper storage, retrieval and/or destruction of the original item. Paper items should be retained for a commercially reasonable time to ensure the image was transmitted and negotiated properly. If requested, you must provide CITIZENS STATE BANK with the original item within five (5) business days of the request. Paper items should then be destroyed using cross-cut shredding or other commercially acceptable methods to avoid accidental redeposit and to protect confidential information.

You may only submit an item once for deposit at CITIZENS STATE BANK or any other financial institution or business that accepts such checks for cashing or deposit. Any attempt to otherwise negotiate or transfer the original paper item or any image of the item after it has been electronically submitted to CITIZENS STATE BANK is strictly prohibited. Such action shall be grounds to terminate your use of MDC.

You are solely responsible to take reasonable precautions and use reasonable security measures to protect your mobile device(s), your bank username(s) and password(s), your operating system(s), your image transmissions and your storage and destruction of the original items.

CITIZENS STATE BANK assumes no responsibility for any errors, failures, or malfunctions of your mobile device, or for any virus or related problems that may occur in connection with your use of MDC.

CITIZENS STATE BANK assumes no obligation to offer support services for, or upgrades to CITIZENS STATE BANK OF ROSEAU'S Mobile Banking. CITIZENS STATE BANK assumes no responsibility for the unavailability of CITIZENS STATE BANK OF ROSEAU'S Mobile Banking or MDC or any damages that may result from its unavailability. CITIZENS STATE BANK assumes no responsibility for any technical or other difficulties or any resulting damages that may be incurred.

You agree to be responsible for any transmission or transaction we receive through MDC, even if it is not authorized by you, provided it includes your password or is otherwise processed by us in accordance with our security procedures.

You may not submit files containing malicious code.

#### **SECURITY PROCEDURES**

CITIZENS STATE BANK may elect to verify the authenticity or content of any transmission by placing a call to any owner or authorized user of your account.

CITIZENS STATE BANK may deny access to MDC without prior notice if we are unable to confirm, to our satisfaction, any person's authority to access Mobile Banking or if we believe such action is necessary for security reasons.

ELIGIBLE ITEMS must be:

- Made payable to the accountholder only,
- Payable in US Dollars on a financial institution located in the United States
- Properly endorsed with **CITIZENS STATE BANK MOBILE DEPOSIT** and **SIGNATURE OF PAYEE**
- Dated as of the date of the electronic submission or no more than 6 months prior to the date of electronic submission

PROHIBITED ITEMS include (but are not limited to):

- Any item drawn on your account
- Any item previously returned
- Any item that is stamped with a "non-negotiable" watermark
- Any item that contains evidence of alteration to the information on the check
- Any item issued by, payable by, or payable through a financial institution in a foreign country
- Any item that is incomplete
- Any item that is "stale dated" or "post-dated"
- Savings Bonds
- Traveler's checks
- Credit Card checks

- Any check issued by a “Pay-Day Lender” or any other person or entity, in which your endorsement constitutes a loan contract
- Any money order
- Any item previously submitted for deposit whether electronically, remotely or in person
- Temporary checks not drawn on Citizens State Bank
- Any item payable to others (even if endorsed over to you)
- Any item payable to more than one person (even if you are one of the payees)
- Any item drawn by an OFAC-restricted person, country or entity
- Any item that does not bear the ORIGINAL signature of the person on whose account the check is drawn

The fact that CITIZENS STATE BANK accepts any of the items describe above shall not obligate us to continue that practice, and we may stop doing so without cause or prior notice.

The manner in which any items are cleared, presented for payment, and collected shall be at CITIZENS STATE BANK’s sole discretion and subject to the Deposit Agreement governing your account.

#### **RETURNED ITEMS**

If an original item deposited through MDC is subsequently dishonored, rejected or otherwise returned unpaid by the payee bank, or is rejected or returned by a clearing agent or collecting bank, for any reason, including but not limited to, issues relating to the quality of the image, CITIZENS STATE BANK may charge back the amount of the original item to your account and provide you with an image of the original item, a paper reproduction of the original item, or a substitute check. The accountholder shall not attempt to redeposit or otherwise negotiate an original check if it has been charged back to the account. CITIZENS STATE BANK may debit any account(s) that belong to the accountholder to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item, whether or not the rejection, return, adjustment or warranty claim was made timely.

#### **FUNDS AVAILABILITY**

CITIZENS STATE BANK Funds Availability Policy does not apply to electronically transmitted images and additional delays may apply. Items transmitted electronically are not subject to funds availability requirements of Federal Reserve Board Regulation CC. ***Funds deposited using MDC will generally be made available five (5) business days after the day of your deposit. We may elect to extend the hold period on mobile deposits for any reason and will notify you if we do so.*** CITIZENS STATE BANK may make such funds available sooner based on such factors as transaction and experience information, length and extent of the relationship, and such other factors as CITIZENS STATE BANK, in its sole discretion, deems relevant.

#### **ERROR REPORTING**

Any suspected errors regarding items deposited through MDC must be reported immediately, and in no event later than 60 days after the monthly account statement is sent. Unless you notify CITIZENS STATE BANK within 60 days, all deposits made through MDC shall be deemed correct and you are prohibited from bringing a claim against CITIZENS STATE BANK.

#### **ACCEPTANCE OF TERMS**

Your use of the CITIZENS STATE BANK OF ROSEAU’S mobile banking application and use of MDC constitutes your acceptance of these Mobile Deposit Terms & Conditions, Citizens State Bank Online

Banking Service Agreement along with Terms and Conditions for Citizens State Bank Mobile Banking. The terms and conditions are subject to change from time to time. CITIZENS STATE BANK will notify you of any material changes. Your continued use of CITIZENS STATE BANK OF ROSEAU'S mobile banking application and use of MDC constitutes your acceptance of any revised terms and conditions.

#### **CHARGES FOR MDC**

MDC is provided at no charge to accountholders. CITIZENS STATE BANK may, upon at least 30 days prior notice or to the extent required by law, change the fee for use of MDC. Continued use of MDC shall constitute agreement to pay the service fee disclosed to you.

#### **TERMINATION OF MDC**

CITIZENS STATE BANK reserves the right to terminate use of MDC at any time without notice and at its sole discretion if you use MDC for any unauthorized or illegal purposes or use MDC in a manner inconsistent with the terms of your Deposit Terms and Conditions, Mobile Deposit Terms & Conditions, Citizens State Bank Online Banking Service Agreement along with Terms and Conditions for Citizens State Bank Mobile Banking or any other agreement with CITIZENS STATE BANK. Any termination will not affect obligations arising prior to termination, such as the obligation to process check images transmitted to us prior to the termination date or your obligation to indemnify CITIZENS STATE BANK.

**LIMITATION OF LIABILITY** - CITIZENS STATE BANK WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, REGARDLESS OF THE FORM OF THE ACTION OR THEORY OF RECOVERY, RELATED IN ANY WAY TO YOUR USE OF THE MOBILE DEPOSIT SERVICE EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

**Accountholder's Indemnification Obligation** - You will defend, indemnify and hold CITIZENS STATE BANK harmless for any loss or expense (including attorney's fees and expenses of litigation) resulting from (1) your breach of any of the warranties made by you pursuant to this agreement, (2) any claim pertaining to any warranty or indemnity that we make with respect to an item under the Check Clearing for the 21<sup>st</sup> Century Act, Federal Reserve Board Regulations CC and J, and all other laws, regulations and industry and clearing house rules applicable to items.

**DISCLAIMER OF WARRANTIES** - YOU AGREE YOUR USE OF MDC 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 MDC, WHETHER EXPRESSED OR IMPLIED. WE MAKE NO WARRANTY THAT THE SERVICES (1) WILL MEET YOUR REQUIREMENTS, (2) WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE (3) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (4) ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

(REVISED 5-2021)