

Community State Bank of Orbisonia Deposit Anywhere Mobile Deposit Service Terms and Conditions Addendum (“Addendum”) to Community State Bank of Orbisonia’s Internet Banking User Agreement.

This Addendum is effective October 10, 2014

1. **Description of Service.** Community State Bank of Orbisonia Deposit Anywhere Mobile Deposit Service allows you to make deposits to a Consumer Checking or Savings account that may be used in connection with the Deposit Anywhere Mobile Deposit Service and the functions within our Mobile Banking Service application (Mobile App) to scan checks and to transmit the images of the checks and associated data to us. In order to use the Service, you must be enrolled in Community State Bank of Orbisonia Online Banking Service and our Mobile Banking Service application (Mobile App) must be installed on your Wireless Device. You acknowledge and agree that no transaction made through or using the Service is an “electronic fund transfer” as defined by the Federal Electronic Fund Transfer Act and/or Regulation E of the Consumer Financial Protection Bureau.
 - a. **In order to be eligible for Deposit Anywhere Mobile Deposit Service:**
 - i. All Checking and Savings accounts accessed with the Login ID provided must be Consumer accounts.
 - ii. Any user of the Service must be at least 18 years of age or a minor with a Student Checking.
 - iii. You must be an owner of a Community State Bank of Orbisonia Account (the “Account”) that is eligible for this Service and be approved by Community State Bank of Orbisonia
 - iv. The Account must be in good standing.
 - v. The Account must not be in default on any legal or administrative order, levy or garnishment
 - vi. You must comply with all restrictions of the Service.
 - b. **Access.**
 - i. You will be able to make deposits to any account that is visible to you now and in the future, unless the account is otherwise restricted when you log in to csborbisonia.com using the Login ID you provided in your application.
 - ii. This service is not available for Blackberry or Windows Phone use.
 - iii. You will be required to create a separate Login ID for access to any Business Checking or Savings account(s) currently accessed via Consumer Online Banking with the Login ID provided in your application prior to approval.
 - c. **Equipment.** To use Deposit Anywhere, you must have a supported mobile device with a supported camera and a supported operating system, have a data network access for your mobile device, and download the App to your mobile device. A list of Mobile Devices (including the mobile device cameras, and mobile device operating systems) that is supported for this service and instructions for downloading the App may be obtained by contacting the bank. We do not guarantee that your particular mobile device, mobile device camera, mobile device operating system or mobile carrier will be compatible with Mobile Banking or Deposit Anywhere.
2. **Fees.** Refer to fee schedule for applicable fees. The applicable fees for the Mobile Deposit Service may be changed by us at our discretion at any time upon at least 30 days prior notice to you, to the extent required by applicable law. By using this service, you authorize us to charge any such fees to any other deposit account you maintain with us.
3. **Checks.** You agree that you will use the Service only to scan and transmit images of “checks”, as that term is defined in Regulation CC of the Board of Governors of the Federal Reserve System (“Reg CC”), for a deposit to your Consumer Account. You agree that the image of any check that is transmitted via the Service shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text).

You further agree that you will **NOT** use the Service to scan or transmit any check that:

- a. is payable to any person or entity other than you,
- b. is drawn or otherwise issued by you on any account you own or have an interest in, or on which you are an authorized signer,
- c. is prohibited by our then current procedures pertaining to the Service or is in violation of any law, rule or regulation,
- d. bears any alteration or that you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the check is drawn,
- e. is either a "substitute check" (as defined in Reg CC or other applicable federal law or regulation) or an "image replacement document" that purports to be a substitute check,
- f. is drawn on a financial institution that is located outside of the United States,
- g. is a "remotely created check" as that term is defined in Reg CC,
- h. is not payable in United States currency,
- i. is dated more than six (6) months prior to the date of scanning and transmission,
- j. is payable jointly, unless the check is being deposited to a Consumer Account in the name of all payees on the check,
- k. is payable on sight or is a payable through draft, as defined in Reg CC,
- l. has any endorsement on the back other than the endorsement specified in this Agreement,
- m. has previously been submitted through the Service or through any remote deposit capture service offered by any other financial institution,
- n. is drawn or otherwise issued by the United States Treasury Department,
- o. is being used to make a deposit to a Consumer Account, that is not acceptable to us for deposit into a deposit account as provided in the deposit agreement that governs your Consumer Account, or
- p. is a third party check, money order, cashier's check, or traveler's check.

Items a through p listed above hereinafter referred to as a "**Prohibited Check**".

Endorsements. When you use the Service to transmit a check image to us, you agree to sign the back of the check in the space provided for endorsements: (i) your legally-binding signature to endorse the check. You agree that you will apply no restrictive, qualified, or conditional endorsement to any check in connection with your use of the Service except as we may direct, and you further agree that we may handle and process any check image you transmit to us through the Service in accordance with the terms of this Agreement notwithstanding any restrictive, qualified, or conditional endorsement you may apply to the check without our approval or direction. You agree to furnish such other information on checks as we may require from time to time.

3. **Image Quality.** Images of checks transmitted to us through the Service must meet, in our sole and absolute judgment, the standards and requirements of legibility that we establish from time to time. The images also must comply with the applicable standards and requirements of American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve Board, and/or any other regulatory agency, clearinghouse or association.
4. **Transmission and Receipt of Images.** You agree to follow any and all procedures, instructions, and guides for use of the Service as we may require or provide from time to time. We may require you to use a user identification code, a personal identification number, and/or passwords and other security procedures (collectively, "Access Procedures") to access the Service. You agree at all times to comply with the Access Procedures, to safeguard the confidentiality of the Access Procedures, and to notify us immediately if you have any reason to believe the security or confidentiality of the Access Procedures has been compromised or breached. We have no obligation to accept any check or image you transmit through the Service, and we may reject any check or image that you transmit in our sole and absolute discretion without liability to you. You agree that we are not responsible or liable to you for images that are dropped during transmission that we do not receive, or that are intercepted or altered by, or misdirected to, any unauthorized third party. You assume the risk that any check image or information from a check image may be intercepted or misdirected during transmission. An image shall be deemed received by us when you receive an electronic confirmation on your phone's display screen after you confirm that you wish to submit the deposit. Such confirmation confirms only the receipt of the image and does not confirm that the transmission was deposited to your account, complete or error free or that the amount of the check will be finally collected from the drawee institutions and/or credited to your Consumer Account. If, after we confirm the receipt of a check image, we determine that the check is a **Prohibited Check**, you agree that we may charge the amount of the check back to your Consumer Account. You agree that we will not be liable to you for any loss, costs, or fees as a result of the exercise of our chargeback rights.
 - a. If your deposit is rejected after submission, you will be required to re-deposit the check at your local branch.
5. **Contingency Plan.** Because the Service could be unavailable from time to time for various reasons, you should

not rely on the Service as the sole means of depositing checks to your Consumer Account. In the event you wish to deposit any check to your Consumer Account and you are unable to transmit the image of the check to us through the Service or are unable to use the Service in compliance with the terms of this Agreement for any reason (including, without limitation, reasons related to communications, equipment or software outages, interruptions or failures), you acknowledge and agree that you are solely responsible for using alternative available means of depositing the check to your Consumer Account. Such alternative means will be governed by the terms of the agreement governing your Consumer Account as applicable, and not by the terms of the Deposit Anywhere Mobile Deposit Service. You assume the risk that we may not accept a check image that you attempt to transmit through the Service. We shall have no liability to you in the event we do not accept the transmission of a check image for any reason and you subsequently have difficulty negotiating or are unable to negotiate the check due to any endorsements you may have applied to the check in your attempt to use the Service.

6. **Your Representations and Warranties to Us; Indemnification.** Each time you use the Service to transmit any check image to us, you represent and warrant to us that:

- a. the check is not a Prohibited Check,
- b. you are entitled to enforce the check,
- c. all signatures on the check are authentic and authorized,
- d. the check is not a counterfeit item,
- e. the check has not been altered,
- f. the check is not subject to a defense or claim in recoupment of any party that can be asserted against you,
- g. you have no knowledge of any insolvency proceeding commenced with respect to you or the drawer of the check,
- h. the check, in the event of any dishonor or nonpayment by the drawee, is enforceable against both you and the drawer of the check,
- i. the check image transmitted by you to us contains an accurate representation of the front and the back of the check and otherwise complies with the requirements of the Service (including, but not limited to, any endorsement requirements),
- j. you will neither create nor transmit through the Service any duplicate image of the check, nor will you deposit or otherwise negotiate the original check,
- k. no person or entity will be asked to make payment on the check more than once,
- l. neither we nor any subsequent transferees of the check or its image will sustain a loss as the result of the fact that an image of the check, instead of the original check, was accepted by us through the Service, presented for payment, or returned,
- m. the image of the check contains no computer viruses or other harmful, intrusive, or invasive codes,
- n. all information you have provided to us in connection with the Service and the transaction is true, accurate, and current, and
- o. the transaction otherwise complies in all respects with your duties, obligations, and agreements under this Agreement.

YOU AGREE TO INDEMNIFY US AND TO HOLD US HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, COSTS, SUITS, DAMAGES, CLAIMS, LIABILITIES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES) ARISING FROM OR RELATED IN ANY WAY TO YOUR BREACH OF THE FOREGOING REPRESENTATIONS AND WARRANTIES, YOUR USE OF THE SERVICE, AND/OR OUR PROVISION OF THE SERVICE TO YOU. YOUR AGREEMENT TO INDEMNIFY US AND HOLD US HARMLESS WILL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON.

8. **Funds Availability.**

(a) *Regulation CC Not Applicable.* You agree that check images transmitted using the Service and the funds represented by the checks are not subject to the funds availability requirements of Regulation CC. Except as otherwise provided in this Agreement, and subject to the requirements of applicable law or regulation, funds from any check transmitted through the Service will be available after final payment with respect to the check is made by the drawee of the check, and any credit of funds to your Consumer Account or before that time is provisional. However, we may make funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as we, in our sole discretion, deem relevant, and/or based upon funds availability options we may offer to you in connection with the Service. You acknowledge and agree that no funds availability option we offer constitutes a promise or guarantee that check funds will finally be collected from the drawee institution and/or finally paid to you. In any event, and notwithstanding any funds availability option you may elect, we reserve a right of chargeback to your Consumer Account, as applicable, in the event of any dishonor or nonpayment by the drawee institution, and we reserve the right to charge all applicable fees in the event of such dishonor or nonpayment and/or any resulting chargeback (including, but not limited to, returned deposit item fees and overdraft fees). For purposes of this Service, the term "Business Day" means Monday, Tuesday, Wednesday, Thursday or Friday, except when those days are holidays or days on which we may be closed due to emergency conditions.

(b) *Availability.* "Availability" means that check funds generally will be available to you for Consumer Account transactions that are received and confirmed as accepted 3 hours prior to the close of business on a business day will be credited to your account within 24 hours of receipt. Deposits confirmed received after close of business, and deposits confirmed received on holidays or days that are not business days will be credited to your account within 24 hours of the following business day. Funds will be available as described in our Funds Availability Policy Disclosure.

9. **Transaction Authorization.** By following our procedures for the transmission of check images through the Service and otherwise furnishing information necessary to execute Service transactions, you authorize us to credit deposits to your Consumer Account, as applicable, as provided in the terms of this Agreement. Each time we accept a check image from you and credit a deposit to your Consumer Account you assign to us all of your right, title, and interest in and to the original check, with all available recourse against you (including, but not limited to, our right of chargeback to your Consumer Account in the event of dishonor or nonpayment by the drawee), notwithstanding any restrictive, qualified, or conditional endorsement (including, but not limited to, a "without recourse" endorsement) you may apply to the check without direction or approval from us. Until such time as you dispose of the original check following the expiration of the Check Retention Period (as hereinafter defined) in accordance with the terms of this Agreement, you acknowledge and agree that you will retain custody of the original check in trust for us.
10. **Disposal of Transmitted Checks.** After you transmit any check image to us and receive confirmation from us that we have received the image, you agree to securely store the original check for a period of thirty (30) days ("Check Retention Period"). During the Check Retention Period, you agree to take appropriate measures to ensure that (a) only authorized persons will have access to the check, (b) the information contained on the check will not be improperly disclosed, and (c) the check will not be duplicated, further scanned and transmitted through any remote deposit capture service, and/or deposited or negotiated in any form. Promptly after the expiration of the Check Retention Period, you agree to destroy the original check by commercially reasonable means, mark it "VOID", or otherwise render it incapable of further transmission, deposit, negotiation or presentment. During any time the original check or a copy or image thereof is available to you or in your possession, you agree to furnish it to us upon request.
11. **Collection of Checks.** You agree that we have the right to determine in our sole discretion the manner in which checks and images transmitted through the Service are cleared, presented for payment and collected. We, in our sole discretion, may select clearing agents to collect and present check images, and our selection of clearing agents shall be binding on you as though you had directly appointed such agents. We shall not be liable for the negligence or other misconduct of any clearing agent. You agree to be bound by any agreements entered into by and between us and any clearing agents and you agree to be bound by all laws, regulations, and clearing house and association rules that may apply to checks or images transmitted using the Service.
12. **Transaction Limits.** We may from time to time impose or change limits on your use of the Service, including (but not limited to) limits on the dollar amount and/or the number of checks you may transmit using the Service. Limits shall be on a single maximum check amount and a cumulative daily deposit amount. We may accept or reject any transaction you attempt in excess of these limits in our discretion. If you have exceeded

the transaction limit threshold, you will receive an error message.

13. **Termination or Suspension of Service.** We may terminate your use of the Mobile Deposit Service at any time, with or without cause. We may suspend or terminate the Mobile Deposit Service, which may include suspension or termination of your access to the Mobile Banking Services, without prior notice to you if: you breach any agreement with us; we believe there has been or may be a breach in the security of the Mobile Deposit Service or unauthorized activity involving your account; or we are uncertain regarding the authorization, completeness, or accuracy of information sent to us. Any termination will not affect obligations arising prior to termination, such as the obligation to process checks transmitted to us prior to the termination date or your obligation to indemnify us.
14. **Errors.** You agree to notify us immediately in the event you become aware of or suspect any errors in connection with your use of the Service. You may notify us by calling our Electronic Banking Department at 814-447-5552 or 1-866-874-5552. Also, the terms of your Consumer Account regarding your responsibility to timely review statements and transaction histories and to report errors and discrepancies remain in full force and effect and apply to transactions made through the Service. You agree to fully cooperate with us and to assist us, and to provide such records and documentation as we may request, in the investigation, correction, and resolution of any errors or problems related to your use of the Service.