

The First National Bank of Groton

Mobile Deposit Terms & Conditions

This agreement contains the terms and conditions for the use of the First National Bank of Groton's Mobile Deposit Service (the "Service"), which allows you to deposit certain checks into certain deposit accounts that are eligible to receive mobile deposits ("Mobile Deposit Accounts") via an application (the "App") installed on your supported mobile device or on your local PC connected to a desktop scanner [when this Service becomes available]. The App is considered part of the Service. By enrolling in the Service, you agree to be legally bound by this agreement.

1. **Definitions.** The terms "we," "us," "our," and "Bank" refer not only to the First National Bank of Groton but also to third parties who assist the First National Bank of Groton in providing the Service ("Third Party Service Providers").

2. **Fee.** The Bank currently offers the benefits and convenience of Remote Deposit to you for free. The Bank reserves the right to charge fees for the Service in the future at our sole discretion. The Bank will notify you in writing by email or mail at least 30 days before implementing a fee for this Service. If you continue to use the Services after the fee becomes effective, then you agree to pay the disclosed fee for the Services.

3. **Equipment.** To use the Service, you must have a supported scanner with a high speed internet connection [when this Service becomes available] or mobile device (e.g. smartphone, tablet etc.) with a supported camera and a supported operating system. If you are using a mobile device, you must have a data plan for your mobile device and download the App to your mobile device (collectively, the "Mobile Device"). We do not guarantee that your particular scanner [when this Service becomes available], mobile device, mobile device camera, mobile device operating system or mobile carrier will be compatible with the Service.

4. **Limitations.** When using the Service, you may experience technical or other difficulties. We do not assume responsibility for any such difficulties or any resulting damages that you may incur. For security reasons, the Service has qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you. Except as expressly provided in this agreement, deposits made through the Service are subject to all limitations and terms set forth in the relevant deposit agreement governing your Mobile Deposit Account as it may be modified from time to time, including, but not limited to, those related to deposit acceptance, crediting, collection, endorsement, processing order and errors.

5. **Eligible Checks and Items.** You agree to scan and transmit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"). You agree that the image of the check transmitted to us shall be deemed an "item" within the meaning of Article 4 of the applicable Uniform Commercial Code. **You agree that you will not use the Service to scan and deposit any checks as shown below:**

a. **Checks payable to any person or entity other than you, unless a joint account holder.**

b. **Checks payable jointly, unless deposited into an account in the name of all payees.**

c. **Checks containing alteration to any of the fields on the front of the check (including the 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 is drawn.**

d. **Checks not in original form with a signature, such as substitute checks or remotely created checks.**

e. **Checks drawn on a financial institution located outside the United States or not payable in United States currency.**

f. **United States Treasury checks including tax refund checks.**

g. **New York State tax refund checks.**

h. **Insurance checks.**

i. **Savings bonds or traveler's checks.**

j. **Credit Card or Cash Advance checks.**

k. **Stale dated checks (those dated more than 6 months prior to deposit date) or future dated checks.**

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

6. **Security of Your Mobile Device and Account Information.** You are responsible for (i) maintaining the confidentiality and security of your Mobile Devices, access number(s), password(s), security question(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"), and (ii) preventing unauthorized access to or use of the information, files or data that you store, transmit or use in or with the Service (collectively, "Account Information"). You agree not to supply your Access Information to anyone. You will be responsible for all electronic communications, including image transmissions, text message, 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. You agree to immediately notify us if you become aware of any loss, theft or unauthorized use of any Access Information. 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.

7. **Image Quality.** The image of a check transmitted to the Bank using the Service must be legible. The image quality of the checks must comply with the standards established from time to time by the American National Standards Institute, or any higher standard set by us, and with any requirements set by any clearing house we use or agreement we have with respect to processing checks. 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 crediting of such a check, or from any inaccurate information you supply regarding the check.

8. **Endorsements and Procedures.** **Before transmission you must endorse the back of the check as you would any item that you would deposit over the teller line with the required signature(s) and the words "For Mobile Deposit Only FNBG".** 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 request regarding a check deposited or attempted to be deposited through the Service.

9. **Receipt of Checks.** You understand and agree that receipt of an image by the Bank does not occur until you are notified of receipt of the image via email notification. We are not responsible for any image that we do not receive. We reserve the right to reject any check transmitted through the Service, at our discretion, without liability to you. In such case, you will need to deposit the check using other means, such as visiting one of our branches. We are not responsible for checks we do not receive in accordance with this agreement or for images that are dropped or damaged during transmission. An image of a check shall be deemed received when you receive confirmation from the Bank that we have received the image.

10. Availability of Funds. Deposits made by 3:00 pm will be made available on the same business day. Deposits made after 3:00 pm will be made available on the next business day. You enter the amount of the check when making a deposit through the Service. If we determine that the check is for a different amount, we may adjust the check amount and notify you of the adjustment. At all times, the check will be deposited for the amount read by us.

11. Disposal of Transmitted Checks. After you have deposited a check using the Service and you receive confirmation that it was received, you agree to prominently mark the check as "VOID" and 1. Write the date of deposit on the corner of the check; 2. Verify the next day via NetTeller that the deposit has been credited to your account; 3. File it away for 14 days; 4. After 14 days, destroy the check by shredding or some other means if we haven't contacted you and requested the original check. You agree to never re-present to us or any other party a check that has been deposited through the Service unless we notify you that the check has not been accepted for deposit through the Service. You will promptly provide any check or a sufficient copy of the front and back of the check to the Bank as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any check or for the Bank's audit purposes. You agree to destroy or otherwise properly dispose of checks that have been accepted for deposit through the Service and have cleared to ensure that such checks are not re-presented for payment and, prior to disposal or destruction, to safeguard such checks.

12. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits (over a period of time set by us) that you transmit using the Service and to modify such limits from time to time. The standard daily limit for consumer and business accounts is five deposits, not to exceed \$1,500. The standard monthly limit (calendar month) for both consumer and business accounts is ten deposits not to exceed \$5,000. Deposits exceeding these thresholds appear as exceptions and may or may not be credited in accordance with #10 above – Availability of Funds. You may request adjustments to these limits.

13. Returned Deposits. If a check that you deposit using Remote Deposit is returned or charged back on your account, it will be deducted in full from your account along with any fees that are incurred due to the check's rejection as described in our Fee Schedule and Account Agreements including the Funds Availability Policy. We are not responsible for any losses incurred as a result of deposits returned on your account.

14. Presentment. The manner in which the checks are cleared, presented (or re-presented) for payment, and collected shall be in the Bank's sole discretion as set forth in the relevant deposit account agreement governing your Mobile Deposit Account.

15. Promises You Make to Us; Indemnity. You warrant to the Bank that:

a. You will only transmit eligible checks that you are entitled to endorse, and all checks will include all signatures required for their negotiation.

b. Images will meet the Bank's image quality standards.

c. You will not transmit an image or images of the same check to us more than once and will not deposit or negotiate, or seek to deposit or negotiate, such check with any other party.

d. You will not deposit or re-present the original check with the Bank or any other party.

e. All information you provide to the Bank is accurate and true, including that all images transmitted to the Bank accurately reflect the front and back of the check at the time it was imaged.

f. You will comply with this agreement and all applicable rules, laws and regulations.

g. You will use the Services only for your own deposits and will not allow the use of the Service by way of a service bureau business, timesharing, or otherwise disclose or allow use of the Service by or for the benefit of any third party.

h. By your utilization of this Service, you acknowledge that the Third Party Service Provider of the Service may have access to the nonpublic personal information transmitted by you through the Service.

You agree to indemnify and hold harmless the Bank from any loss for breach of this warranty provision or the terms of this agreement.

16. 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 may be made, but we cannot guarantee that such notice will be provided.

17. Cancellation by You; Termination or Refusal by Us. You may cancel the Service at any time by calling 607-898-5871 or toll free at 800-229-8869 during normal business hours and allowing us a reasonable opportunity to act upon your request. If you cancel, we will not refund any portion of any fee assessed for any checks previously deposited via the Service. We will have no obligation to honor any instruction, in whole or in part, that (i) we reasonably believe is used for any illegal or improper purpose or activity; (ii) we have reason to believe may not be authorized by you; (iii) would violate any law, rule or regulation applicable to us or the Service; (iv) is not in accordance with any other requirement stated in this agreement or any of our policies, procedures or practices; or (v) for our protection or yours, we have reasonable cause not to honor. We reserve the right to refuse to honor an instruction or suspend or terminate the Service, in whole or in part, at any time, with or without notice to you, with or without cause, including, without limitation, if: (a) we have reason to believe that your account has been compromised or mismanaged in any way, such as by unauthorized or erroneous use of your Access Information; or (b) we believe the Service is not being used for its intended, bona fide and lawful purposes under this agreement; or (c) your account is closed, access to your account is restricted for any reason, if you do not use the Service for a period of time.

18. Ownership and License. You agree that the Bank retains all ownership and proprietary rights in the Service, associated content, technology, and website(s). You agree not to copy, disassemble, decompile, or otherwise reverse engineer any part of the Service, including the App. You may use the Service only for your own benefit. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Service. In the event that you attempt to use, copy, license, sublicense, sell or otherwise convey or to disclose the App or any other part of the Service, in any manner contrary to the terms of this agreement, we shall have, in addition to any other remedies available to us, the right to injunctive relief enjoining such actions.

19. Third Party Beneficiary. You agree that our Third Party Service Providers may rely upon the provisions of this agreement, including its disclaimer of warranties and any limitations of liability and that such Third Party Service Providers are, for the purpose of this agreement, third party beneficiaries to this agreement with the power to enforce this agreement.

20. Liability. WE ARE ONLY RESPONSIBLE FOR PERFORMING THE SERVICE AS EXPRESSLY STATED IN THIS AGREEMENT. THERE IS NO GUARANTEE THAT ACCESS TO THE SERVICE WILL BE AVAILABLE AT ALL TIMES AND WE SHALL NOT BE LIABLE IF YOU ARE UNABLE TO ACCESS THE SERVICE. THE SERVICE IS PROVIDED "AS IS" AND, EXCEPT AS PROHIBITED BY LAW, WE AND OUR THIRD PARTY SERVICE PROVIDERS DISCLAIM ANY EXPRESS OR IMPLIED WARRANTIES CONCERNING THE

SERVICE, APP, EQUIPMENT OR SOFTWARE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF ANY PARTIES' PROPRIETARY RIGHTS. IN THE EVENT THE BANK IS UNABLE TO PROVIDE REMOTE DEPOSIT SERVICES, CUSTOMER ACKNOWLEDGES THAT IT MAY INSTEAD DEPOSIT DIRECTLY WITH THE BANK ANY ORIGINAL CHECK FOR PROCESSING PROVIDED SUCH ITEM HAS NOT BE PREVIOUSLY SCANNED AND ELECTRONICALLY TRANSMITTED FOR POSTING AND CLEARING. IN NO CASE SHALL THE BANK OR ANY OF OUR THIRD PARTY SERVICE PROVIDERS BE LIABLE FOR ANY LOSS OF DATA, PROFIT, GOODWILL, OR SPECIAL, PUNITIVE, INDIRECT, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE SUFFERED BY YOU ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE APP, THE SOFTWARE, THE EQUIPMENT OR THE SERVICE, WHETHER OR NOT SUCH CLAIM FOR DAMAGES IS BASED ON TORT OR CONTRACT OR WHETHER WE HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SHOULD HAVE KNOWN OF THE LIKELIHOOD OF SUCH DAMAGES, EXCEPT AS MAY BE REQUIRED BY LAW. IN STATES THAT DO NOT ALLOW THE EXCLUSION OR LIMITATION OF LIABILITY FOR INDIRECT SPECIAL OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, THE BANK AND OUR THIRD PARTY SERVICE PROVIDERS' LIABILITY IS LIMITED TO THE EXTENT PERMITTED BY APPLICABLE LAW.

21. **Compliance with Laws.** Customer shall comply with all laws, rules, and regulations applicable to Customer, and to Remote Deposit Services, including without limitation, Regulation CC, the Uniform Commercial Code and any rules established by an image exchange network through which items are processed pursuant to this agreement. Customer further agrees that it shall have the responsibility to fulfill any compliance requirement or obligation that the Bank and/or Customer may have with respect to the Remote Deposit Services under all applicable U.S. federal and state laws, regulations, and rulings, including sanction laws administered by the Office of Foreign Assets Control, and other requirements relating to anti-money laundering, including but not limited to, the federal Bank Secrecy Act, the USA Patriot Act and any regulations of the U.S. Treasury Department to implement such Acts, as amended from time to time.

22. **Geographic Constraints.** You agree that you will not use the Service in locations that are prohibited under U.S. law and regulations, including laws and regulations issued by the Office of Foreign Assets Control.

23. **Disclosure.** Customer acknowledges that the Bank may have certain legal record keeping and reporting requirements with respect to Remote Deposit Services and consents to Bank's disclosure to payment systems, intermediary organizations, and governmental authorities of information concerning Customer and the Remote Deposit Services provided to Customer which the Bank believes to be appropriate or necessary to fulfill such contractual and legal requirements.

24. **Periodic Statement.** Any remote deposits made through Mobile Deposit will be reflected on your monthly account statement. You are required to notify the Bank of any error relating to images transmitted using Mobile Deposit by no later than 60 days after you receive the monthly periodic statement that includes any transaction alleged as erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

25. **Errors.** You agree to notify the Bank of any suspected errors regarding items deposited through Mobile Deposit right away, and in no event longer than sixty (60) days after the applicable Bank account statement is sent. Unless you notify the Bank within sixty (60) days, such statement regarding all deposits made through Mobile Deposit shall be deemed correct, and you are prohibited from bringing a claim against the Bank for such alleged error. Please refer to the Bank's Regulation E disclosure for more complete information on the error resolution process.