

CONSUMERS NATIONAL BANK CHECK CONNECT

MOBILE DEPOSIT SERVICES AGREEMENT

You must have a checking account with Consumers National Bank to utilize this service. The following agreement (the "Agreement") contains the terms and conditions that govern your use of Consumers National Bank's Mobile Deposit Services (the "Service"). Within the Agreement, "you" or "your" refer to the user of the Service and "us," "we," "our," or "the Bank" refer to Consumer's National Bank.

The Service aims to allow you to deposit certain checks into your accounts with us from remote locations. In exchange for your ability to use the Service, you agree to strictly abide by the terms and conditions below.

Eligibility for Use of the Service

In order to be eligible to use Service, a customer must:

1. be 18 years of age
2. be in good standing with all accounts with Consumers National Bank
3. have a checking account with the Bank (checking accounts can be opened at a branch or at <https://www.consumersbank.com/>)
4. have had a checking account with the Bank for, at minimum, the 30 days preceding the date of the Agreement; and
5. have had 6 or fewer overdrafts in the 30 days preceding the date of the Agreement (an overdraft occurs when a customer withdraws funds that do not exist from an account).

If you currently meet the mandatory requirements above but for any reason fail to meet any of them in the future, the Bank may disable your access to the Service until you regain eligibility.

We reserve the right to determine, in our sole discretion whether any customer is eligible to use the Service. We also reserve the right to suspend or terminate any customer's use of the Service for any reason and without prior notice.

Financial Information

You must immediately inform us of any material change in your financial circumstances or in any of the information you provided us in your Application to use the Service. You agree to provide us any financial information we reasonably request during the term of this Agreement. You authorize us to review your account history with the bank from time to time.

Incorporation of other agreements

All other agreements that you have entered into with us are expressly incorporated into this agreement.

Hardware/Software Requirements

You need to have an iPhone, iPad, or an Android Phone or Tablet with software that is up-to-date to utilize this service.

The obtainment and maintenance of any hardware or software that is necessary for you to utilize the Service is your sole responsibility (including, but not limited to, the cost of obtaining and maintaining such hardware or software).

Items Eligible for Deposit through the Service

You agree to only scan and submit for deposit checks –i.e., drafts, other than documentary drafts, drawn on a credit union, savings and loan, or bank and payable on demand—that you are legally eligible to deposit.

You further agree that you will not attempt to use the Service to deposit:

1. checks made payable to any person or entity other than you (i.e., payable to another party and then endorsed to you);
2. checks payable to you and any another party who is not a joint owner on the account;
3. checks that have been previously deposited in any other fashion;
4. checks dated more than 6 months prior to the date of deposit;
5. checks that:
 1. you know, suspect, should know, or should suspect were altered after signature;
 2. you know, suspect, should know, or should suspect are fraudulent; or
 3. you know, suspect, should know, or should suspect are in any way unauthorized by the owner of the account on which they are drawn.

Items that meet the requirements above are hereinafter referred to as "Eligible Items."

Image Requirements

Each image that you submit in accordance with the procedures established above must legibly provide all of the information on the front and back of the original check at the time presented to you by the drawer, including, but not limited to, information about the drawer and the paying bank that is preprinted on the original check, MICR information, signature(s), any required identification written on the front of the original check, or any endorsements applied to the back of the original check.

The quality of the image you submit must meet any standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, or any other regulatory agency, clearing house, or any other financial association, as interpreted by the Bank.

Endorsement Requirements

Your endorsement of an Eligible Item submitted via the Service must:

1. be made on the back of the Eligible Item, within 1½ inches of the Eligible Item's top edge (although we reserve the right to accept endorsements outside of this space);
2. include your signature and the phrase "For Mobile Deposit"; and
3. Include endorsements of all joint owners that are listed as payees on the Eligible Item (if, however, the check is payable to you or your joint owner, you alone can endorse it).

Our Receipt of Your Deposit

All images processed for deposit through the Service will be treated as "deposits" under your current Account Agreement with us and will be subject to all terms of that Account Agreement.

When we receive an image, we will confirm receipt via email (the email shall be sent to the email address you listed at the time you enrolled for online banking). We shall not be deemed to have received the image for deposit until we have confirmed receipt to you in this manner. We are not responsible for any image that we do not receive.

Confirmation of receipt does not mean that the image is errorless.

Rejection of Images

We expressly reserve the right, at our sole and absolute discretion, to reject any image that you submit for remote deposit through the Service for any reason. If we exercise our right to reject an image, we will notify you of that decision by e-mail and the original check will not be deposited into your account via the Service.

Retention and Destruction of Original Checks

After you receive confirmation that we have received an image, you must securely store the original check underlying the image for sixty (60) calendar days from your receipt of that confirmation. Your storage must be at least as secure as your storage of blank checks that you have or have previously had. During the 60-day time period, you must make the original check accessible to us at our request.

Upon our request, you agree to deliver to us within 10 calendar days, at your expense, any original check that we request to see. If you do not provide the requested original check in a timely manner, as defined by the Bank, the amount of the original check that has been deposited into your account will be reversed from your account.

Promptly after the 60-day time period expires, you must destroy the original check by first marking it "VOID" (by writing the word "VOID" in permanent ink across the front and the back of the original check) and then destroying it by cross-cut shredding or another commercially acceptable means of destruction.

You expressly agree that you will never re-present the original check. You understand and acknowledge that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

You promise to take all reasonable steps to ensure the safety and integrity of any original check from the time you submit an image of that original check via the Service until the time of required destruction. You agree to notify us immediately by telephone or in writing if you learn of any loss or theft of any original check.

If warranted in our reasonable judgment, you agree to allow us to audit your records related to the Service and to monitor your use of the Service. You agree to cooperate with us to permit such auditing or monitoring so that we may confirm that you have satisfied your obligations under the Agreement.

Returned Deposits

Any credit to your account for checks deposited using the Service is provisional. If any Eligible Item you attempt to deposit via the Service is dishonored, rejected, or otherwise returned unpaid by the drawee bank, or is rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, any issue relating to the quality of the image, you acknowledge and agree that an original check will not be returned to you by us but that we may charge back the amount of the Eligible Item that was deposited into your account and provide you with an image of the Eligible Item, a paper reproduction of Eligible Item, or a substitute check.

You agree to reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned Eligible Item, including, but not limited to, the charging back of the amount of the Eligible Item that was deposited into your account. We expressly reserve the right to debit any of your accounts to obtain payment for any Eligible Item that has been rejected or returned, for any adjustment related to such Eligible Item, or for any warranty claim related to such Eligible Item, whether or not the rejection, return, adjustment or warranty claim was made timely.

Without our written approval, you agree to not attempt to deposit or otherwise negotiate an original check that has been charged back to you.

Statements

You agree to examine your statement of account and report to us any alterations or unauthorized signatures purporting to be yours or on your behalf relating to the Service or any other issues relating to deposits made through the Service that you discover, or reasonably should discover, with reasonable promptness. Reasonable promptness for this purpose will not exceed 30 days from when the statement was first sent or made available to you.

If you do not make such a report with reasonable promptness, you acknowledge and accept that you cannot assert against us responsibility for any alterations or unauthorized signatures (or any others made by the same wrongdoer) or for any other issues relating to deposits made through the Service before we receive such a report, unless we failed to exercise good faith or reasonable care. If we failed to exercise reasonable care, the loss will be allocated between you and us according to the extent to which your and our failure to exercise reasonable care contributed to the loss.

Additionally, if you do not discover and report to us any such alterations or unauthorized signatures or any other issues relating to deposits made through the Service within 60 days from when the statement including the relevant deposits was first sent or made available to you, you cannot assert any claim against us related to the relevant deposits, even if we failed to exercise reasonable care.

Limitations on Your Use of the Service

We may establish limits on the dollar amount and/or number of deposits you are permitted to make through the Service from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times.

The limits are as follows:

- \$10,000.00 of deposits through the Service per day; and

Your Warranties

Unless prohibited by law, you make the following warranties to us each time that you attempt to use the Service:

- All of the information that you provide to the Bank that is related to the Service is accurate and true.
- You will not defraud the Bank in any way through your use of the Service.
- Each image you attempt to deposit via the Service is a true and accurate rendition of the front and back of the original check, without any alteration.
- For any check you attempt to deposit via the Service, the drawer of the check has no defense against payment of the check.
- Any Eligible Item you attempt to deposit via the Service conforms to the technical standards for an Electronic Item set forth in Federal Reserve Board Regulation J, or Federal Reserve Bank operating circulars and for a substitute check set forth in Federal Reserve Board Regulation CC.
- The amount, payee(s), signature(s), and endorsement(s) on the image of any Eligible Item and on the original check underlying the Eligible Item are legible, genuine, and accurate.
- You will not deposit or otherwise endorse to a third party any original check that you have attempted to deposit via the Service.
- No person will receive a transfer, presentment, or return of, or otherwise be charged for an original check that you have attempted to deposit via the Service (or a paper or electronic representation of that original check) such that the person will be asked to make payment based on an item that has already been paid.
- There are no other duplicate images of an original check you have attempted to deposit via the Service.
- Any original check you attempt to deposit via the Service was authorized by the drawer in the amount stated on the original check and to the payee(s) stated on the original check.
- You are authorized to enforce and obtain payment of any original check you attempt to deposit via the Service.
- You have possession of any original check you attempt to deposit via the Service.
- No other party will attempt to submit the original check for payment.
- You will not deposit or redeposit the paper originals of any original check you attempt to deposit via the Service or make any other deposits or redeposit of such check without our informed consent.
- Your use of the Service does not and will not violate any laws.
- You will not submit any file or image via the Service that contains viruses or any other disabling feature that may have an adverse impact on our network, data, or related systems.
- We will not suffer any loss as a result of your use of the Service or as a result of your retention or destruction of the paper originals of any original check you attempt to deposit via the Service.
- You will comply with the terms and conditions outlined in the Agreement.

Additionally, with respect to each image you submit via the Service, you make to us all representations and warranties that we make or are deemed to make to any party pursuant to law, regulation, clearinghouse rule, or any other rule or regulation applicable to the processing of checks.

The express warranties you provide us via this section are in addition to any promises or warranties you provide us in other sections of the Agreement.

Compliance with Laws

You expressly agree to use the Service only for lawful purposes and in compliance with all applicable laws, rules and regulations governing your use of checks. You promise that you will only attempt to deposit legally acceptable items and, for any original check you attempt to deposit via the Service, that you have handled such check in accordance with any applicable laws, rules, or regulations.

Unavailability of the Service

From time to time, the Service may be temporarily unavailable due to system maintenance, technical difficulties, including those of the Internet service provider, cellular service provider and Internet software, or for any other reason.

In the event the Service is unavailable, you may deposit original checks at any of our branches during normal business hours.

You acknowledge and accept that we assume no responsibility for any loss associated with the unavailability of the Service.

Transmission Errors

You acknowledge and accept that your use of the Service may be disrupted while images are being transmitted to us. You expressly agree to assume the risk of any loss that may occur as a result of any transmission errors and you acknowledge and accept that the Bank assumes no liability for any such transmission errors.

Funds Availability

Deposits made through the Service are subject to the same Funds Availability Policy as branch deposits. Deposits made by you via the Service that we confirm as received before 4pm Eastern Standard Time on a business day (as described in the Funds Availability Disclosure) will be credited to your account on that business day. **Deposits made by you via the Service that we confirm as received after 4pm Eastern Standard Time on a business day, and deposits made by you via the Service that we confirm received on holidays or days that are not business days will be credited to your account on the following business day.** Funds will be available as described in our Funds Availability Disclosure.

Security

You acknowledge and agree that it is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits via your account.

You promise to complete each deposit you attempt to make via the Service promptly. If you are unable to complete a deposit promptly, you promise to ensure that your mobile device remains securely in your possession until the deposit has been completed.

Your Responsibility for the Use of the Service through Your Account

You are solely responsible for the quality, completeness, accuracy, validity and integrity of any use of the Service that occurs through your account, including, but not limited to, the submission of any image to the Bank. You are solely responsible for any losses that may occur to you or us because you, intentionally or unintentionally, submit fraudulent, unauthorized, inaccurate, incorrect, illegible, or otherwise improper or unusable images to us or because your account is used by an authorized or unauthorized person(s) to submit fraudulent, unauthorized, inaccurate, incorrect, illegible, or otherwise improper or unusable images to us.

Investigations

You agree to fully cooperate with us in our investigation of any transaction that involves your account and the Service.

Technology Associated with the Service

You agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology associated with the Service; copy or reproduce all or any part of the technology associated with the Service; or interfere, or attempt to interfere, with the technology associated with the Service.

We and our technology partners, inclusive of, but not limited to, Computer Services, Inc. and Ensenta Corporation, retain all rights, title and interests in and to the Service, including, but not limited to, any Software and Development made available to you.

Accountholder's Indemnification Obligation

You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement.

You understand and agree that this paragraph shall survive the termination of this Agreement.

You understand and agree that you are required to indemnify our technology partners, including but not limited to Computer Services, Inc. (Computer Services) and Ensenta Corporation (Ensenta), and hold harmless Computer Services, its affiliates, officers, employees and agents, as well as Ensenta, its affiliates, officers, employees, and agents, from and against any third party claims, suits, proceedings, actions or demands, including to claims of another bank, business entity, or governmental authority, and all losses, liabilities, damages, fines, penalties, costs and expenses, including court costs and reasonable attorney fees and expenses, arising from such claims, to the extent such claim is related to Consumers National Bank or End User's use of the Services, Ensenta or Computer Services Applications, unless such claim directly results from an action or omission made by Computer Services or Ensenta in bad faith. You understand and agree that this paragraph shall survive the termination of this Agreement.

Changes to the Agreement

You acknowledge and understand that we can change any of the provisions of this Agreement, other than the below stated right to terminate without cause, by giving you 30 days' advance written notice of the changes.

Your continued use of the Service after you have been informed of any changes to the Agreement constitutes your acceptance thereof.

Duration and Termination

This Agreement will continue until it is terminated. You acknowledge and accept that we are permitted to immediately terminate the Agreement without notice to you if we reasonably suspect that you have not complied, are not complying, or will not comply with the Agreement or that you have engaged, are engaging, or will engage in any illegal activity.

Either party can terminate this Agreement without cause by giving 30 days advance written notice of termination.

Severability

If any part of this Agreement is found to be void, unlawful, or unenforceable then that part will be deemed to be severable from the balance of this Agreement and the severed part will not affect the validity and enforceability of any of the remaining provisions.

Use as Acceptance

Your use of the Service constitutes your acceptance of this Agreement and your agreement to abide by its terms and conditions.

DISCLAIMER OF WARRANTIES

YOU AGREE THAT YOUR USE OF ANY REMOTE BANKING SERVICE 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 ANY REMOTE BANKING SERVICE, 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 ANY REMOTE BANKING SERVICE WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY REMOTE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.

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 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 ANY REMOTE BANKING SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.