

SimplyBank (Depository Financial Institution) and "Customer" as defined below, hereby enter into, as of the date SimplyBank grants access to the Services (the "effective date"), this Mobile Remote Deposit Disclosure ("disclosure"). This disclosure (as amended and/or supplemented) governs your use of SimplyBank's Mobile Remote Deposit Service (the "Mobile Remote Service" or "Service"). SimplyBank offers Mobile Remote Deposit Service under this disclosure only in association with one or more deposit accounts maintained by you at SimplyBank.

This disclosure is in addition to other disclosures between you and SimplyBank, including the applicable deposit account disclosure disclosure(s), terms and conditions, and our rules and regulations, as well as, your loan disclosures with SimplyBank. You should review all disclosures given to you at account opening with SimplyBank.

### Definitions

1. "We", "Us", "Our", and "Bank" refer to SimplyBank, its employees, directors, officers, and representatives.
2. "You", "Your", "Customer", and "Client" refer to the account holder authorized by SimplyBank to use the Mobile Remote Deposit Service, and any user authorized to exercise control over funds deposited into customer's accounts through the Mobile Remote Deposit Service.
3. "Account" or "Accounts" refers to the Customer's checking account or savings accounts with the Bank, which is identified by the Account Number, in which the customer is able to deposit funds through Mobile Deposit Service.
4. "disclosure" refers to this Mobile Remote Deposit disclosure.
5. "Check" refers to:
  - i. A negotiable demand draft drawn on or payable through or at an office of a bank;
  - ii. A negotiable demand draft drawn on a Federal Reserve Bank or a Federal Home Loan Bank;
  - iii. A negotiable demand draft drawn on the Treasury of the United States;
  - iv. A demand draft drawn on a state government or unit of general local government that is not payable through or at a bank;
  - v. A United States Postal Service Money Order; or
  - vi. A traveler's check drawn on or payable through or at a bank.
  - vii. The term check includes an original check and a substitute check. The term check does not include a noncash item or an item payable in a medium other than United States money. A draft may be a check even though it is described on its face as another term, such as money order. The term check also includes a demand draft of the type described above that is nonnegotiable.
6. "Business Day" refers to everyday excluding Saturdays, Sundays, and Federal Holidays.
7. "Image Item" refers to digitized image(s) of check(s) that are created by you and transmitted to SimplyBank using the services.
8. "Services" refers to any of the Mobile Remote Deposit functions offered and/or used by you in connection with this disclosure, including optional and future services added by an addendum.
9. "Mobile Banking" refers to a suite of services that we make available, enabling you to conduct banking transactions with us by using your Mobile Device.
10. "Mobile Device" refers to a cellular telephone, or similar wireless communications device, (a.) that is installed with software permitted by us (Mobile Banking Software/App) that you have downloaded in order to conduct Mobile Banking transactions, or (b.) that is capable of conducting Mobile Banking transactions by using other protocols we may choose to permit.
12. "Mobile Remote Deposit" may commonly referred to as Mobile Deposit.
13. "System" refers to the program that is maintained by SimplyBank, or other third parties, that you connect to through the Internet in order to access the services.

### General Terms and Conditions

This disclosure establishes the rules that govern the processing of deposited checks through customer's account(s) at the Bank using Mobile Remote Deposit. From time to time, the bank may amend any of the terms and conditions contained in this disclosure at its sole discretion. Any amendment to this disclosure shall become effective as stated on any notice sent to you. Examples of such notice may include, but are not limited to, newsletters, disclosures, etc. By signing this disclosure and using Mobile Remote Deposit, you accept all the terms and conditions of this disclosure.

### Rules, Laws, and Regulations

You agree to comply with all existing and future operating procedures used by us for processing of transactions. You further agree to abide by, and be bound by, all local, state, and federal rules, laws, and regulations. These rules include, but are not limited to, Regulation CC "Funds Availability Act", its subparts B, C, D (which includes Check 21 Act), The Bank Secrecy Act (BSA), and laws administered by the United States of America which are in existence as of the date of this disclosure and as amended from time to time.

### Eligibility

To be eligible for Mobile Remote Deposit, you understand you must be a good standing customer with the Bank and meet the following criteria:

1. You will need to enroll using SimplyBank's Mobile App through a supported mobile device, such as a smartphone or tablet that is compatible with the SimplyBank App, with an earner and a supported operating system to scan quality images of the front and back of the check deposited. (We do not guarantee that all mobile devices and operating systems are compatible with the Service.)

### Services and Funds Availability

Once you are approved for the Mobile Remote Deposit Service, you may use the services to deposit checks into your account(s), noted on this disclosure, with the Bank. The deposits made through Mobile Remote Deposit are subject to the terms of this disclosure. Checks deposited through this service will be converted to image items for processing. The service is subject to transaction limitations as set forth in this disclosure and Truth in Savings Disclosure, which governs the use of your account(s). Deposits made with Mobile Remote Deposit Service do not fall under Regulation "CC" (Expedited Funds Availability Act), therefore, longer holds may be applied to funds deposited through Remote Deposit Service at the discretion of the Bank. The maximum cumulative daily Mobile Remote Deposit limit is **\$2,000.00**.

**Access**

To use Mobile Remote deposit, you must have mobile device that is compatible with our system. The mobile device must have access to telecommunication services necessary for the Mobile Remote Deposit Service. Application upgrades may be required from time to time for continued use of the services. Services through our system are generally available 24 hours per day, 7 days per week. Some or all services may not be available occasionally due to system maintenance or other interruptions to the system. Transmission deadlines and funds availability terms and conditions apply. The bank agrees to post notice of any extended periods of non-availability of the Mobile Remote Deposit Service on the website.

**Equipment or System Failure**

In the event of equipment or system failure, you agree that, in order to deposit your checks, you must deliver them to a branch of the Bank for processing. If the checks were scanned prior to the system failure or are endorsed for Mobile Deposit, you must obtain approval before the checks will be processed at the branch.

**Transaction Deadlines**

Deposits initiated through Mobile Remote Deposit will originate from SimplyBank branches located in Rhea County, Tennessee. Image items deposited through Mobile Remote Deposit before 3:00 p.m. (Eastern Standard Time) on a business day are posted to the customer's account the same day, subject to funds availability. Any image items deposited through Remote Deposit Capture after 3 p.m., or on a day that is not a business day, will be posted to the customer's account on the next business day by 10 a. m. (Eastern Standard Time), subject to funds availability. Please refer to the definitions section of this disclosure to determine what the bank considers a business day.

**Authorized User**

The Bank shall be entitled to rely on the authority of any person who accesses the services using valid customer's User IDs and passwords, including such person(s) who may not be signers on the customer's account. Except as otherwise provided by law, you will indemnify the Bank and hold it harmless for any loss or expense caused by any person with the apparent authority or ability to access the services. You agree to provide any person, authorized to use this service, a copy of this disclosure. The Bank may verify the authenticity or content of any transaction through Mobile Remote Deposit by calling any authorized signer on the account. Access to services may be denied without prior notice if we are unable to confirm any person(s) authority to access the service or if we believe such action is necessary due to security concerns.

**Security**

You understand the importance of your role in preventing misuse of your accounts associated with the Mobile Remote Deposit program, and you agree to promptly examine your statements for all of your Bank accounts as soon as you receive it and notify us of any errors in accordance with your Account Terms and Conditions. You agree to protect all confidential information of your account information, including account numbers and passwords. Data transmitted through the services is encrypted in an effort to provide security. Mobile Remote Deposit utilizes technology to verify that the sender and receiver, of transactions related to the services can be appropriately identified by each other. In spite of our efforts to ensure the services are secure, you acknowledge that there is a risk when utilizing the Internet. We cannot, and do not, warrant that all data transfers utilizing Mobile Remote Deposit will not be monitored or read by others. You agree to notify us immediately if you believe any passwords have been lost, stolen, compromised, or used without your permission.

**Use of Mobile Remote Deposit Service**

You agree that you are solely responsible for the use of the Mobile Remote Deposit Service and that you will use the services in accordance with this disclosure. You agree not to attempt to bypass the security feature(s) of the services or the system or make any improper or unauthorized transfer of funds from accounts through the services or system. You agree that you are prohibited from engaging in any conduct that would violate the proprietary rights of the owner of the system and the services as well as accessing or using the system or services in any unauthorized manner. You agree to be liable to the Bank and its vendors, for any claims, losses, liabilities, damages, expenses, or other costs arising from negligent or intentional misuse of the services or system.

You are prohibited from using Mobile Remote Deposit Service for any activity that:

1. Would result in you being or becoming a "money service business" as defined in the Bank Secrecy Act and its implementing regulations; or
2. Indicates acceptance of restricted transactions in connection with another person in unlawful Internet gambling as defined in the Unlawful Internet Gambling Enforcement Act and Regulation GG; or
3. Is directly or indirectly related to the use of the services that is illegal or fraudulent.

The Bank will immediately suspend the services or the system or the processing of any check or corresponding electronic image item if we have reason to believe that there has been a breach in the security of the services or system, fraud involving your account(s) or check(s), or any uncertainty as to the authorization or accuracy of electronic image items, including the right to process electronic image items on a collection basis any time.

**Deposit of Original Checks**

You agree that no check deposited to the Bank will cause funds to be debited more than once from the account of the maker. You agree that the original check, a duplicate check image, or any copy of the original check or check image will not be deposited by you with the Bank (unless instructed by the Bank to do so) or under any circumstances with any other financial institution.

**Endorsement of Checks**

You agree to properly endorse each check prior to submitting such check through the use of Mobile Remote Deposit Service. Your endorsement must include your signature, account number, and "For Mobile Deposit Only to SimplyBank." Any loss we incur from a delay or processing error resulting from an irregular endorsement or other marking by you will be your responsibility. Please see example below.



### **Endorsement of Checks (continued)**

A check payable to two payees, without an indication as to whether it is made out to both or to either, must be endorsed by both payees. If the check is payable to you OR your joint owner, either of you can endorse it. If the check is made payable to you AND your joint owner both of you must endorse the check. If the check is made payable to anyone other than the people on your account, the bank will not accept the check for deposit through Mobile Remote Deposit. You represent and warrant that all checks transmitted through the services are made payable to the customer, all signatures and endorsements on each check are authentic and authorized, and each check has not been altered.

### **Check Retention Period**

You agree that you will preserve the originals of all checks, processed through Mobile Remote Deposit Service pursuant to this disclosure for thirty (30) calendar days after the day of deposit ("Retention Period"). After your deposit has been successfully processed, write "Mobile Deposit" across the front of the check. The risk of loss due to the unavailability of the original or copy of a check for any reason, during the retention period, shall be exclusively on the customer.

### **Destruction of Original Checks**

You are fully responsible for the destruction of the checks. You agree to use commercially reasonable method(s) to destroy the original checks after the required retention period has expired. You agree to destroy and dispose of the original checks with a high degree of care. You are required to ensure that the original checks are not accessed by unauthorized persons during the storage, destruction, and destruction process and, once destroyed, the original checks are no longer readable or capable of being reconstructed. The risk of loss associated with the accidental inclusion of a physical check in the check collection process or with a lost, destroyed, stolen, or misplaced check shall be exclusively on the customer.

### **Prohibited Checks**

You agree that you will not use the Remote Deposit Service to scan and deposit any of the items below:

1. Checks payable to any person or entity other than you
2. Checks prohibited by, or received in violation of, any law, rule, or regulation
3. Checks containing alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or other not authorized by the owner of the account on which the check or item is drawn.
4. Checks that have been previously cashed or deposited
5. Third party checks
6. Checks that are postdated or stale dated
7. Checks payable to cash
8. Checks drawn financial institutions that are located outside the United States
9. Checks written in pencil
10. Savings Bonds
11. Traveler's Checks
12. Money Orders

All checks that you deposit through Mobile Remote Deposit Service are subject to verification by the Bank. We may reject any item for deposit for any reason and will not be liable to you. In such case, you will need to deposit the item using other means, such as visiting any branch of the Bank.

### **Image Quality**

You are responsible for inspecting and verifying the quality of the images associated with image items, thus ensuring that the digitized images of the front and back of original checks are legible for all posting and clearing purposes by the Bank. We recommend that you take images of the original checks on a dark background in a space with good lighting. Specifically, you are warranting to the Bank that:

1. The image item is an accurate representation of all information on the front and back of the original check at the time the original check was converted to an image item, and the image item contains all endorsements from the original necessary for the Bank to permit the Bank to:
  - i. Acquire rights of a holder in due course in the collection process of checks and other items;
  - ii. Handle, process, maintain and destroy original checks; and
  - iii. Ensure that neither the Bank or any other financial institution (depository, collecting or payor), drawee, drawer or endorser receives presentment or return of, or otherwise is charged for a check image item more than once in any form.
2. Each image item (or related electronic data file) contain a record of all MICR line (special characters printed on the bottom of the check) information required for a substitute check and otherwise satisfies all of the requirements of the American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve or any other regulatory agency, and image quality required by Check 21 and Regulation CC for the creation and/or transferring of a substitute check created from that image item.

### **Adjustments**

Once an image is captured, the system will display captured encoded fields for your review. You will be required to make corrections to encoding fields not read or missing from the scanned check, including entering the legal amount of the check. We reserve the right to adjust your deposit after submitting it for processing. Adjustments are to correct mistakes in the value of image items deposited, mistakes in encoding, or for missing or illegible image items.

### **Termination**

We are permitted to terminate or suspend any and all Services immediately should you breach any part of this disclosure. We are also permitted to terminate any and all services immediately if we are unable to provide such services.

### **Confidentiality**

You acknowledge that we will disclose information to third party vendors about your account or the image items you deposit:

1. To enable access to Mobile Remote Deposit Services and the system;
2. When it is necessary for completing deposit request;
3. As required by law.

**Confidentiality (continued)**

Items deposited using Mobile Remote Deposit Service are subject to verification and final inspection process. We may at any time deposit an image item or return all or part of a deposit without prior notice. We are under no obligation to inspect or verify any image item to determine accuracy, legibility or quality of the image or MICR information associated with the image item, or for any other purpose. However, we may correct or amend MICR line information associated with an image item to facilitate processing of the image item or a substitute check created from that image item. We may process and collect an image item or a substitute image item through one or more clearing houses, Federal Reserve Banks, or other clearing disclosures with other financial institutions. We may hold and use funds in any deposit account of yours following termination of this disclosure and the services for such time as we reasonably determine to be necessary for us to be assured that no image item processed by us prior to termination may be returned, charged back, or otherwise become a source or cause for any loss, liability, cost, exposure, or other action for which the Bank may be responsible, with such right being in addition to any other rights we may have with respect to your accounts. Without limitation, you recognize that under the Rules, Regulation CC, and the rules of any image exchange network, our representations and warranties to other with regards to image items and substitute checks may expose the Bank to claims for several years following processing of any particular image item or substitute check.

**Contact Information**

Notifications required by this disclosure are to be directed to us at the address or phone number listed below:

SimplyBank  
PO Box 398  
Dayton, TN 37321  
423-775-8400

**Disclaimer of Warranty and Limitation of Liability**

We make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with the Mobile Remote Deposit Services provided to you under this disclosure. We do not and cannot warrant that the Mobile Remote Deposit Services will operate without errors, or that any and all services will be available and operational at all times. Except as specifically provided in this disclosure, or otherwise required by law, you agree that our officers, directors, employees, agents, or contractors are not liable for any indirect, incidental, special or consequential damages, under or by reason of any services or products provided under this and or by reason of your use of or access to Mobile Remote Deposit Services. The Bank shall be responsible only for performing the services expressly provided for in this disclosure and shall be liable only for its negligence in performing those services. The Bank shall not be responsible for the customer's acts or omissions (including without limitation the amount, accuracy, or timeliness of transmittal) or those of any person, including without limitation any Federal Reserve Financial Institution or transmission or communications facility, and no such person shall be deemed the Bank's Agent. The member agrees to indemnify the Bank against any claims, damages, loss liability, or expense (including attorney's fees and expense) resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of the customer, or any other person described in this paragraph. In no event shall the Bank be liable for any consequential, special, punitive or indirect loss or damage which the member may incur or suffer in connection with this disclosure, including without limitation, loss of damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to this disclosure. Without limiting the generality of the forgoing provisions, or the provisions of this disclosure, the bank shall be excused from failing to act or form delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond the Bank's control. In addition, the Bank shall be excused from failing to transmit or delay in transmitting a deposit if such transmittal would result in the Bank violation any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other United States Governmental regulatory authority. Notwithstanding any other provision set forth herein to the contrary, in the event of default under the terms of this disclosure by the customer, the Bank shall have all right and remedies available at law or in equity. You understand and agree to this disclosure and all questions related to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of Tennessee, notwithstanding any conflict of laws doctrines of such state or other jurisdiction to the contrary. You also agree to submit to the personal jurisdiction of the courts of the State of Tennessee. You understand and agree that this disclosure is to be held illegal, invalid, or unenforceable under present or future laws, the remaining provisions shall remain in full force and effect.

**Acceptance**

Your use of the services constitutes your acceptance of this disclosure. The Bank reserves the right to change the terms for the services described in this disclosure by notifying you of such change by notice, disclosure, newsletter, e-mail, etc. and we may amend, modify, add to, or delete from this disclosure from time to time. Your continued use of the services after notification will indicate your acceptance to the revised disclosure.

Date Issued: \_\_\_\_\_

Customer Name: \_\_\_\_\_

Customer Tax ID: \_\_\_\_\_