

# Business Mobile Deposit Capture Terms & Conditions

---

## DESCRIPTION

The mobile deposit capture services ("Mobile Deposit" or "Services") are designed to allow you to make deposits to your checking, money market checking, or savings accounts from your camera-enabled mobile device capable of capturing check images and information and electronically delivering the items and associated deposit information to the Bank or the Bank's designated processor. The device must capture an image of the front and back of each check to be deposited in accordance with the Procedures; must read and capture the magnetic ink character recognition ("MICR") line on each check; and must read and capture all such other data and information as is required by this Agreement or Federal Reserve regulations for the processing of these checks for payment. You will not need to mail your check or take it to a branch when depositing using this service.

## ACCEPTANCE OF THESE TERMS

The acceptance of this Agreement and use of the Service means you agree to all terms and conditions in this Agreement in addition to the Account Agreements and Disclosures provided to you at the opening of your account. Please read this Agreement carefully and maintain a copy for your records.

## LIMITATIONS OF SERVICE

When using this Service, you may experience technical or other difficulties. We do not assume liability for any technical or other difficulties that you may incur. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, immediately and at any time without prior notice to you. In the event this service is not available to you, you acknowledge that you can deposit your check at a branch office location.

## FEES

New Peoples Bank, Inc. does not charge a monthly usage fee for this service up to 200 items. A \$.99 per item fee will be charged for additional deposited items. We reserve the right to start charging for this Service at any time. Any fee that is charged will be disclosed prior to your deposit. If an item you transmit for deposit is dishonored, rejected or otherwise returned unpaid, you agree that we may charge back the amount of the return to the account the check was originally deposited to and you will be assessed a fee in the amount shown on New Peoples Bank current fee schedule for a returned deposit. If there are not sufficient funds in your account to cover the amount of the returned check, the account will be overdrawn and you will be responsible for payment. You agree that New Peoples Bank may debit any account maintained by you in order to obtain payment of your obligation under this Agreement.

## ELIGIBLE ITEMS

You agree to scan and deposit only "checks" as that term is defined in Federal Reserve Regulation CC. When an image of the check is transmitted is converted to an Image Replacement Document for presentment and collection, it shall thereafter be deemed an "item" within the meaning of Articles 3 and 4 of the Uniform Commercial Code.

## INELIGIBLE ITEMS

- Checks payable to any person or entity other than your business account;
- Checks payable to "Cash," "New Peoples Bank," or "NPB" ;
- Third party checks (for example, a check that is payable to someone else, endorsed and signed over to you);
- Checks that are incomplete (for example, any item that does not contain the signature of the maker, endorsement signature(s), or other required information);
- Demand drafts or remotely created checks (for example, checks lacking the original signature of the person authorizing the check);
- Substitute checks (for example, paper checks created from an electronic image);
- Photocopies of checks;
- Checks that require authorization;
- Checks with inconsistent numerical and written dollar amounts;
- Checks that are not dated;
- Checks that are stale-dated (for example, ninety (90) days or more after the issue date for checks containing instructions that state "Void 90 days after issue date");

- Checks that are post-dated (for example, a check showing a future date);
- Checks that are more than six (6) months old;
- Checks containing an obvious alteration to any of the fields on the front of the check or item;
- Checks that you know or suspect are fraudulent or not properly authorized;
- Checks not payable in United States currency;
- Checks issued by a financial institution located outside the United States;
- Checks transmitted from an OFAC-restricted country;
- Checks drawn or otherwise issued by you or any other party on any of your accounts with us;
- Consumer loan, credit card or mortgage payments;
- Money orders or travelers checks;
- Starter or counter checks;
- Amex Gift Cheques;
- Savings bonds;
- Registered government warrants;
- Insurance drafts;
- Rebate checks;
- Non-negotiable items (for example, items stamped “non-negotiable”);
- Deposits to IRA, HSA, or Share Certificate accounts;
- Deposits to Trust accounts, Representative Payee accounts, Estate accounts or other accounts with similar custodial arrangements;
- Checks that exceed the deposit limit(s) that we establish for the Service;
- Checks previously submitted for deposit;
- Checks that have previously been returned unpaid for any reason; and
- Checks purporting to be a lottery or prize winning.

## **HARDWARE AND SOFTWARE**

You must have a Mobile Device that is acceptable to us and a wireless plan from a compatible mobile wireless provider. You must also use the operating system(s) and software that satisfies all technical specifications and other requirements that we and/or our service provider(s) establish and specify. We and/or our service provider(s) may change these specifications and/or requirements from time to time. The Bank is not responsible for any third party software you may need to use the Services. You agree that you will perform, or cause to be performed by properly trained personnel, all vendor recommended maintenance, repairs, upgrades and replacements. Unless otherwise provided in this Agreement, you are solely responsible, at your own expense, for purchasing, installing, operating, testing and maintaining all hardware and software necessary to use the Service. You must install and test your Mobile Device, your system, and any other required hardware and software before you make your first deposit through the Service. You accept any such software “as is” and subject to the terms and conditions of the software agreement that you enter into directly with the third party software provider at the time of download and installation. We are not responsible for, and you release us from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using the Service, e-mail or the Internet. You agree that all images and files transmitted to us through the Service will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

## **DEPOSIT LIMITS**

The Bank reserves the right to establish and assign to you deposit limits for the Service (including limits on the dollar amount and/or number of Checks that you may transmit through the Service each day) and to modify such limits from time to time in the Bank’s sole discretion, and you agree to comply with all such limits. If you attempt to initiate a deposit in excess of these limits, we may reject the 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 in no way be obligated to allow such a deposit at other times. The current daily dollar limit is \$2,500.00 per business day. There is no daily or monthly statement cycle limit on the number of items, as long as the respective dollar limit is not exceeded.

If you make a deposit through Mobile Banking before 6:45 P.M. Eastern Time (ET) on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit through Mobile Banking after 6:45 P.M. ET or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

## **ENDORSEMENTS AND PROCEDURES**

You agree to restrictively endorse any item transmitted through the Services as "FOR MOBILE DEPOSIT ONLY, New Peoples Bank account #\_\_\_\_\_". You agree to follow any and all other procedures and instructions for use of the Services as the Bank may establish from time to time. Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility.

## **CHECK REQUIREMENTS/IMAGE QUALITY**

The image of an item transmitted to the Bank using the Services must be clearly legible, as determined in the sole discretion of New Peoples Bank, Inc., and contain images of the front and back of the Check. The image quality of the items must comply with the requirements established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association. These requirements include, but are not limited to, ensuring the following information can clearly be read and understood by sight review of the Check image: the amount of the Check (both written and numeric); the payee; the signature of the drawer (maker); the date; the Check number; the information identifying the drawer and the paying financial institution that is preprinted on the Check including the MICR line; and all other information placed on the Check prior to the time of an image of the Check is captured (such as any required identification written on the front of the Check and any endorsements applied to the back of the Check).

## **CREDIT**

You agree that items transmitted using this Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. After we receive Check images and all other required deposit information from you through the Service, we shall credit your designated account for the total amount of such Checks generally within 2 business days from the day of the deposit. Any credit given is subject to final payment of the Checks and is also subject to your Bank Account Agreement. You agree that all deposits received by us are subject to verification and final inspection and may be rejected by us in our sole discretion, and you shall be liable to the Bank for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against the Bank relating to such deposits. The Bank is not liable for any service or late charges that may be imposed against you due to the Bank's rejection of any Check that you transmit for deposit through the Service. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your account due to a Check being returned. You acknowledge and agree that, while we normally provide notice of rejected deposits, we may reject any Check transmitted through the Service in our sole discretion without notice to you, and we will not be liable for any such rejection or failure to notify you of such rejection. If we reject a Check for mobile deposit, you must physically deposit the original Check.

## **UNPAID CHECKS**

Should you fail to produce the original check upon request, you authorize us to deduct that amount from your account. You are solely responsible for verifying that Checks that you deposit by using the Service have been received and accepted for deposit by the Bank. The Bank will provide you with notice of any deposits that it is unable to process because Checks were returned unpaid by the payor financial institution. You agree to accept such notices at your e-mail address on file with us, but we may choose any reasonable method for providing such notices to you. In the event that the Bank credits your account for a Check that is subsequently dishonored and returned, you authorize the Bank to debit the amount of such Check plus any associated fees from the account. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any of your other account(s) with the Bank in our sole discretion. Our right to charge your account(s) will apply without regard to whether the Check was timely returned or whether there is any other claim or defense that the Check was improperly returned. You understand and agree, that since the original Check is your property, it will not be returned and the Bank may charge back an image of the Check, an ACH debit, or other electronic or paper debit, as applicable, to your account. You further agree that any image that we charge back may be in the form of an electronic or paper reproduction of the original Check or a substitute check. You may not use the Service to deposit a substitute check and you may not deposit the original Check through the Service or in any other manner if you receive a dishonored Check. You agree to comply with any additional instructions we may provide to you in connection with returned Checks.

## **ERRORS OR DISCREPANCIES**

The Bank will provide you with periodic statements that will identify the deposits that you make through the Service. In addition, you may access the Bank's Online Banking service for information about your deposits, return items, deposit adjustments, Checks and other transactions on your accounts. You agree that it is your responsibility to review all such information that the Bank makes available to you in a timely manner to verify that deposits made through the Service have been received and accepted by the Bank and are accurate. Receipt of a Check by the Bank through the Service does not constitute an acknowledgement by the Bank that the Check is error-free or that we will be liable for the Check. You agree to notify us promptly of any errors, omissions, or discrepancies in a deposit right away, and in no event later than 60 days after your statement is produced displaying the incorrect information. You may notify us in writing or by telephone of the error. You agree to cooperate in any investigation by the Bank of any unsuccessful or lost transmission. Subject to applicable law, any failure by you to notify New Peoples Bank within the aforementioned 60 days of any error, omission or other discrepancy in accordance with this Agreement shall cause all information on the statement to be deemed correct and shall relieve the Bank of any liability for such error, omission or discrepancy.

## **AVAILABILITY OF SERVICE**

In the event you are unable to capture, balance, process, produce or transmit a file to the Bank, or otherwise comply with the Terms or the Procedures for any reason, including but not limited to, communications, equipment or software outages, interruptions or failures, you will transport the originals of all checks to the closest Bank location. The deposit of original checks at an office of the Bank shall be governed by the terms and conditions of the Deposit Account Agreement and not by the terms of this Agreement.

## **ERRORS IN TRANSMISSION**

By using this Service you accept the risk that an item may be intercepted or misdirected during transmission. New Peoples Bank, Inc. bears no liability to you or others for any such interception or misdirected items or information disclosed through such errors.

## **RETENTION AND DISPOSAL OF TRANSMITTED ITEMS**

After you receive confirmation that we have received an image, you must securely store the original Check for 30 days after transmission to us and make the original Check accessible to us at our request. Upon our request from time to time, you will deliver to us within two Business Days, at your expense, the requested original Check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after the 30 -day retention period expires, you must destroy the original Check by first marking it "VOID" and then destroying it by cross-cut shredding or another commercially acceptable means of destruction. After destruction of the original Check, the image will be the sole evidence of the original Check. You agree that you will never represent the original Check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

## **PRESENTMENT AND METHOD OF PRESENTMENT**

Once you have used the Service to deposit a Check you agree not to present, or allow anyone else to present, that original Check or a substitute check of that original Check again for deposit through the Service or by any other means. If you or anyone else present a Check or substitute check for deposit more than once, in violation of this Agreement, you agree to indemnify, defend and hold the Bank harmless from and against all liability and damages that may result from any claims, suits or demands from third parties with respect to such Check or substitute check. You agree that we may debit from your Bank account the aggregate amount of any Checks that are deposited more than once. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any other of your account(s) in the Bank's sole discretion.

The manner in which items are cleared, presented for payment, and collected shall be in New Peoples bank sole discretion subject to Bank Service Agreements or Commercial Bank Service Agreements governing your account.

## **AUTHENTICATION METHOD**

You agree that we are entitled to act upon instructions we receive with respect to the Service under your user ID, password, test key or other code or authentication method that we require (these components are referred to herein collectively as your "Authentication Method"). You are liable for all transactions made or authorized with the use of your Authentication Method. We have no responsibility for establishing the identity of any person who uses your Authentication Method. You agree that if you give any component of your Authentication Method to anyone or fail to safeguard its secrecy, you will be in violation of your obligations under your Bank Account Agreement and this Agreement. You agree to take appropriate steps to ensure that all

components of your Authentication Method are protected and kept confidential. You agree to indemnify and release us from any and all liability, and agree not to make any claim or bring any action against us, relating to our honoring or allowing any actions or transactions that are conducted under your Authentication Method or acting upon instructions, messages or authorizations provided to us using your Authentication Method. By accessing the Service with your Authentication Method, you authorize us to complete the requested transaction(s) through the Service. Any requests or instructions we receive from you through the Service using your Authentication Method shall be considered “in writing” under all applicable law and shall have the same force and legal effect as a writing signed by you. This includes, but is not limited to, inquiries, deposit transactions, Checks deposited, Check images, changes to the account, services or any other communication you provide us through the Service using your Authentication Method.

## **DATA SECURITY**

You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits and to ensure the security of the mobile device you own used to access the Service. By securing we mean installing operating system patches, antivirus software, firewall and spyware detection as applicable and keeping this software current as well as securing the physical device from theft or unauthorized use. You will notify us immediately of any loss or theft of original checks. You will ensure the safety and integrity of original Checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit and monitor you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

## **COOPERATION WITH INVESTIGATIONS**

You agree to cooperate with us in the investigation of unusual transactions, poor quality transmissions, and resolution of customer claims by providing, upon request and without further cost, any originals or copies of items deposited through the Service in your possession and your records relating to such items and transmissions.

## **USER WARRANTIES AND IDEMNIFICATION**

You warrant to New Peoples Bank, Inc. that:

- You will only transmit eligible items that are properly endorsed.
- Images will meet the image quality standards.
- You will not transmit duplicate items.
- You will not re-deposit or re-present the original item once it has been scanned and sent through this Service, unless requested to do so by New Peoples Bank, Inc.
- All information you provide is accurate and true.
- You will comply with this Agreement and all applicable rules, laws and regulations.
- You are not aware of any issue that may impair collection of the item.
- Items you transmit do not contain viruses.
- You agree to indemnify and hold harmless New Peoples Bank, Inc. from any loss for breach of this warranty provision.

## **TERMINATION**

New Peoples Bank, Inc. may terminate this Agreement at any time and for any reason. This Agreement shall remain in full force and effect unless and until it is terminated by us. Without limiting the foregoing, this Agreement may be terminated if you breach any term of this Agreement, if you use the Service for any unauthorized or illegal purposes or you use the Services in a manner inconsistent with the terms of your Bank Services Agreement, Commercial Bank Services Agreement or any other agreement with us.

## **ENFORCEABILITY**

New Peoples Bank may waive enforcement of any provision of this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect our rights with respect to any other transaction or to modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

## **OWNERSHIP & LICENSE**

You agree that New Peoples Bank, Inc. retains all ownership and proprietary rights in the Services, associated content, technology, and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this agreement. Without limiting the effect of the foregoing, any breach of this Agreement immediately terminates your right to use the Services. Without limiting the restriction of the foregoing, you may not use the Services in any anti-competitive manner, for any purpose which is contrary to New Peoples Bank business interest, or New Peoples Bank actual or potential economic in any aspect. 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 Services.

## **DISCLAIMER OF WARRANTIES**

You agree your use of the services and all information and content, including that of third parties, is at your own risk and is provided on an “as is” and “as available” basis. We disclaim all warranties of any kind as to the use of the Services, 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 our Service will meet your specific requirements, be uninterrupted, timely, secure, or error-free, or that the results that may be obtained from the Service will be accurate or reliable, and that any errors in the Services 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 resulting from the use or the inability to use the Services 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 this Service, regardless of the form of action or claim, even if New Peoples bank has been informed of the possibility thereof.

New Peoples Bank’s liability for errors or omissions with respect to the data transmitted or printed will be limited to correcting the errors or omissions.