

# Business Online Cash Manager & Mobile Banking Agreement & Disclosure Statement

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*Revised as of 01.26.2021*

The following information represents the “Business Online Cash Manager & Mobile Banking Agreement and Disclosure Statement” (Agreement) between you and MidWestOne Bank (MWO). Please read this entire Agreement prior to using this service and retain a copy for your records.

This Agreement is made between you and MWO for accessing your MWO accounts using our web-based Business Online Cash Manager (OCM or Online Banking Services) at [www.midwestone.com](http://www.midwestone.com) and the “MidWestOne for Business” mobile banking application (Mobile Banking Services) (available for Android and Apple mobile devices). As used in this document, the words, “we”, “our”, and “us” mean MidWestOne Bank and assigns the words “you” and “your” to mean each account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account(s). Online & Mobile Banking Services (Services) means the communications and transactions provided to you by us through the [midwestone.com](http://midwestone.com) website and MidWestOne for Business application (app), including but not limited to the following: account information, funds transfers, bill payments, mobile deposits, remote deposits, Automated Clearing House (ACH) origination and verification, wire transfers, Electronic Federal Tax Payment System (EFTPS), stop payments, statement/notice/transaction inquiries and downloads.

By using the Services, you agree to abide by the terms and conditions of this Agreement and acknowledge your receipt and understanding of the disclosures contained in this Agreement. The terms and conditions in this Agreement are in addition to any deposit agreements you have with us, including your signature card, the terms and conditions of your accounts, the accompanying schedules and disclosures, and any change of terms notices (collectively, the “Deposit Agreements”), any loan or credit agreements between you and us, including any disclosures made pursuant to such agreements (collectively, the “Loan Agreements”), and any other agreements related to the Services between you and us, or executed by you in favor of us (“Service Agreements”).

When you use our Services, you agree to the terms and conditions we have set forth in this Agreement and any instructional material that we provide you regarding the Services. Your use of the Services may be made by use of certain numbers, codes, marks, signs, public keys or other means of establishing your identity and acceptance of the electronic communications, which are acceptable to MWO. All electronic communications that meet these requirements will be deemed to be valid and authentic and you intend and agree that those electronic communications will be given the same legal effect as written and signed paper communications. You agree that electronic copies of communications are valid and you will not contest the validity of the originals or copies, absent proof of altered data or tampering.

In connection with the delivery and use of the Services, we and you will abide by all applicable statutes, rules, regulations, orders, treaties or other requirements having the force of law, including, but not limited to, the rules and regulations of the Check 21 Act, FRB Regulation CC – 12 CFR 229, National Clearing House Association (NACHA), American National Standards X9 specification, Federal Reserve Financial Institution, UCC Article 3 and 4, any network association agreements as are currently in effect and as amended from time to time, and applicable privacy laws rules and regulations (collectively, “Rules”).

- You will ensure that all information provided to us in connection with any Service is provided in accordance with all regulation related to privacy and personal information that is applicable to you.
- You represent and warrant that the entering into and enforcement of this Agreement will not violate any Rules, resolution or other restrictions to which it may be subject and that all terms of this Agreement may be enforced against you.

## **1. EQUIPMENT**

To access the available Services, you must have an active account with an Internet Service Provider (ISP) or mobile data carrier (message and data rates apply) and an Internet browser software program with a minimum 128-bit encryption or a device compatible with the latest version of the “MidWestOne for Business” app. You will need Adobe Acrobat Reader to view your statements and notices online. To download a free copy, please go to <http://www.adobe.com>. From time to time, we may recommend that you upgrade your browser to maintain the latest encryption technology. We may also require you to adopt additional cybersecurity controls in order to ensure the protection of your account information.

You are responsible for, at your expense, obtaining, installing, maintaining and operating all equipment that accesses the Services. You must be an authorized user of the equipment you use. We do not warrant nor will we be responsible for any errors or failures from the malfunction or failure of your equipment.

## **2. ACCOUNT ACCESS**

To access your account(s) through the Services, you must have at least deposit or credit account with us. If you have more than one account or other relationships with us, we will link the relationships together unless you request certain accounts not be linked. Accounts that are “linked” under the Services must have one common owner. Any signer, acting alone, must be authorized to access a linked account. Any non-linked account will not be accessible through the Service.

## **3. ACCESS CODES**

The primary owner of the bank account will designate on the Business Online Manager Application, a Senior Administrator. The Senior Administrator establishes limitations for each individual user. The Senior Administrator is the only person who has the authority to create, edit, or delete access or permissions for subordinate users.

The Senior Administrator may be someone else within the business. Once the Senior Administrator has established access, they will establish subordinate users by creating a separate Username and Password authorizing employees individual access to accounts.

During your use of the Services, you are required to enter an/a:

- Username - A Username will be assigned to the Senior Administrator upon the opening of your Services.
- Password - A valid password consists of 12 - 17 characters. It must contain at least one number, at least one uppercase letter, and at least one lower case letter.

Use of these Access Codes is the agreed security procedure to access the Services. You agree to keep these numbers and codes confidential to prevent unauthorized access to your accounts and to prevent unauthorized use of the Services. For security purposes, we recommend that you do not use the same Access Codes you use on other bank products. For further security purposes, we recommend that you memorize your password for these Services and not write it down.

We reserve the right to require you to use security tokens when accessing the Services. The company must use the security token provided by us to generate a one-time temporary password to gain access to the Services. You shall immediately notify us of any lost, stolen, or damaged security tokens and shall return security tokens upon the termination of use of the Services.

## **4. E-MAIL (SECURE CONTACT)**

For a secure message (encrypted) to be sent electronically to us, we recommend using the “Customer Service” tab on our website ([www.midwestone.com/contact](http://www.midwestone.com/contact) and then clicking on “Contact Us” to create your

message. Use this secure method to make inquiries, request information, for routine maintenance, and/or problem resolution issues.

Regular e-mail is not a secure method of communication over the Internet and we strongly recommend you do not send confidential information by e-mail.

## **5. SERVICE CHARGES OR FEES**

As an enrolled user of our Services you authorize us to automatically deduct all applicable charges and fees from the primary checking account you have with us.

## **6. BUSINESS DAYS & HOURS OF OPERATION**

Our business days are Monday through Friday, excluding federal holidays. Our Service Center hours of operation are Monday through Friday 7:30 a.m. to 6:00 p.m. and Saturday 9:00 a.m. to 1:00 p.m. (Central Time). You can reach the service center at 800-247-4418. Our branch office hours of operation vary by location with more information available on our website.

You can access our Services seven (7) days a week, twenty-four (24) hours a day. However, at certain times, some or all of our Services may not be available due to system maintenance. We also may need to change our available Services from time to time. We will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will always be provided.

## **7. REPORTING UNAUTHORIZED TRANSACTIONS**

If you believe that an unauthorized transaction has been or may be conducted from your deposit account without your permission, call: 319-356-5800 or 1-800-247-4418 or write us at: MidWestOne Bank, Service Center, PO Box 1700, Iowa City, Iowa 52244-1700.

## **8. INDEMNIFICATION**

In addition to any other indemnification agreements between us and you, you will indemnify and hold us and its employees, officers, directors, agents and other representatives (the "Representatives") harmless against all claims, proceedings, damages, losses, costs (including legal fees and disbursements on a substantial indemnity basis), expenses and liabilities (collectively, "Claims") directly or indirectly incurred by or taken against us or our Representatives which without limitation, are the direct or indirect result of:

- Your use of the Services;
- any willful misconduct or wrongful, fraudulent or negligent act or omission by you or your agents and representatives;
- any willful misconduct or wrongful, fraudulent or negligent act or omission of any third party where you voluntarily waive the use of or improperly uses the fraud protection and/or security mechanisms we offer;
- any misrepresentation or inaccurate statement, or breach of any warranty by you or your agents and representatives in this Agreement or in any other document you or your agents or representatives deliver to us, or contained in any other communication or agreement (written or oral) between you or your agents or representatives and us;
- the enforcement of this Agreement, or any provision hereof, and any other executed Service Agreement, or any provision therein;

except to the extent such Claims are caused by our gross negligence or willful misconduct.

## 9. LIMITATION OF LIABILITY; EXCLUSIONS

In the performance of the Services included in this Agreement, we shall be entitled to rely solely on the information, representations and warranties provided by you pursuant to this Agreement, and shall not be responsible for the accuracy or completeness of such information. We shall be responsible only for performing the Services expressly provided for in the Agreement, and shall be liable only for its gross negligence or willful misconduct in performing those Services. In no event, shall we have any liability for any consequential, special, punitive or indirect loss or damage which you may incur or suffer in connection with this Agreement. We shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, act of terror, emergency conditions or other conditions beyond Bank's control.

For greater certainty, in no event will we, or any third party acting as our agent, be liable to you or any third party for any damages whatsoever if:

- You do not have adequate money in a deposit account to complete a transaction from the account, or if that account has been closed;
- You have not properly followed software or service instructions on how to make a transfer;
- You have not given complete, correct and current instructions so that a transfer can be made;
- Withdrawals from any eligible accounts have been prohibited by a court order such as a garnishment or other legal process;
- We or our agent reasonably believe that a transaction may be unauthorized and based thereon the transaction is not completed;
- Your equipment and/or software were not working properly;
- A user conducts a transaction that would violate Federal Reserve Regulations or any other law: and
- If circumstances beyond our, or our agent's, control prevent making a transfer or payment, despite reasonable precaution that we have taken. Such circumstances include but are not limited to computer failure, telecommunication outages, postal strikes and other labor unrest, delays caused by fires, floods, and other natural disasters.

There may be other exceptions to our liability as stated in the Terms and Conditions of your Deposit Agreements.

## 10. LIABILITY FOR LOSS OR ERRONEOUS DATA

You, not MWO, will bear the liability of the risk of any error of loss of data, information, transaction, or other losses which may be due to the failure of your respective computer system or third party communications provider upon which you or we may rely. We shall be liable to you only for direct losses that are determined to be the direct result of acts or omissions on the part of MWO or its employees constituting gross negligence, bad faith, or willful misconduct; however, in no event shall we be liable to you for incidental or consequential damages or loss which you may incur by reason of your use of our Services. So long as we act in good faith and without gross negligence or willful misconduct, your sole remedy for delays or interruptions due to hardware or software failures or incompatibility shall be to have the transaction completed as soon as reasonably possible after such problems are resolved.

## 11. PRIVACY

You agree we may release, or assist in the release of credit and other account information to a third party as may be necessary to process a transaction or resolve disputes. This is defined in the MWO Privacy Policy which was provided at account opening and can be found at [www.midwestone.com/privacy-policy](http://www.midwestone.com/privacy-policy).

## 12. SECURITY

In order to maintain secure communications and reduce fraud, you agree to protect the security of your numbers, codes, marks, signs, public keys or other means of identification. We reserve the right to block access to the Services to maintain or restore security to our site and systems; if we reasonably believe your access codes have been or may be obtained or are being used or may be used by an unauthorized person(s). Refer to additional information on your responsibilities for security procedures in Section 3 – Access Codes.

MidWestOne Bank is not responsible for unauthorized use of the Services. It is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as “phishing” and “pharming”). You agree to educate user(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks.

- You agree that MWO is not responsible for any losses, injuries, or harm incurred by you as a result of any electronic, e-mail, or Internet fraud;
- You shall take all necessary steps to preserve the confidentiality of, and to prevent the fraudulent or other misuse of, all passwords and forms of security, security devices, data protection and identification used in connection with any Service;
- You shall diligently supervise and monitor the conduct and work of all user(s), agents, and employees having any involvement in instructions to or other communications with MWO; and
- You solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. MWO is not responsible for any computer viruses (including, without limitation, programs commonly referred to as “malware,” “keystroke loggers,” and/or “spyware”), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of any Services. Any material downloaded or otherwise obtained is obtained at your own discretion and risk, and MWO is not responsible for any damage to your computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. MWO is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on the your operating systems or accessed through an Internet connection.

## 13. EVENT OF DEFAULT

Your actions or omissions that may be an “Event of Default” under this Agreement, or any other applicable Service Agreement, include:

- Failure to Pay. If you fail to pay when due any amount payable, fails to satisfy any condition you are required to satisfy, or you fail to observe or perform any agreement or obligation under this Agreement, or any other applicable Service Agreement;
- Breach; Incorrect or Misleading Statements. If you breach any representation, warranty or agreement made in this Agreement, or any other applicable Service Agreement, or any certificate or statement of fact or any other communication from you to MWO is found to have been incorrect or misleading on or as of the date made in any respect MWO considers material;
- Insolvency. If you shall, (i) become insolvent or unable to pay your debts generally as they mature; (ii) suspend business; (iii) make a general assignment for the benefit of creditors; (iv) admit in writing your inability to pay your debts generally as they mature; (v) file a petition in bankruptcy or a petition or answer seeking a reorganization, arrangement with creditors or other similar relief

under the federal bankruptcy laws or under any other applicable law of the United States of America or any State thereof; (vi) consent to the appointment of a trustee or receiver; (vii) be adjudicated a bankrupt on an involuntary petition in bankruptcy; (viii) take any company action for the purpose of effecting or consenting to any of the foregoing; (ix) institute or have instituted against you a dissolution or similar proceeding relating to it under the laws of any jurisdiction; (x) have an order, judgment or decree entered appointing, without their consent, a trustee or receiver for you, or for a substantial part of your property, or approving a petition filed against you seeking a reorganization, arrangement with creditors or other similar relief under the federal bankruptcy laws or under any other applicable law of the United States of America or any State hereof, which order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of entry;

- Judgments. if one or more judgments, decrees or orders is rendered against you for the payment of money and any of such judgments, decrees or orders would, in MWO's opinion, have a material adverse effect and continue unsatisfied and in effect for a period of more than ten (10) business days without being vacated, discharged, satisfied or stayed pending appeal;
- Any material adverse change in the operations, business, property, assets, or conditions, financial or otherwise, of you which could adversely and materially affect your ability to perform your obligations under this Agreement, or any other applicable Service Agreement; or
- Unenforceable Provisions. if any provision of this Agreement, or any other applicable Service Agreement, MWO considers material is held by a court of competent jurisdiction to be unenforceable.

#### **14. WAIVER OF RIGHTS**

A waiver by you or us of any breach, default or non-compliance (in this Section collectively called "Breach") under this Agreement is only effective if it is in writing and signed.

- No waiver will be inferred from any failure to act, or any delay in acting, in respect of any Breach or by anything done or not done.
- No waiver in writing of any Breach under this Agreement will be a waiver of either your rights or our rights under this Agreement in respect of any other, continuing or subsequent Breach that is the same or of any other nature.

#### **15. OWNERSHIP OF MATERIALS**

The content and information on our site is the property of MidWestOne Bank, Iowa City, Iowa. It should not be duplicated, or copied by any means.

#### **16. SEVERABILITY**

If any provision of this Agreement is void or unenforceable in any jurisdiction, such ineffectiveness or unenforceability shall not affect the validity or enforceability of such provision in another jurisdiction, or any other provision in that or any other jurisdiction.

#### **17. NO SIGNATURE REQUIRED**

When any payment or other online service generates items to be charged to your account, you agree that we may debit your designated eligible account or the account on which the item is drawn without requiring your signature on the item and without prior notice to you.

#### **18. MWO'S RECORDS**

MWO's records will, in the absence of obvious error or as otherwise agreed by MWO in writing, be conclusive evidence of the information MWO receives and the transactions between you and MWO. The

computer-generated or electronic records MWO receives or creates will be admissible in a court of law and you waive any defense you may have as to their admissibility.

## **19. AMENDMENT OF THIS AGREEMENTS**

We may amend this Agreement (including changes in its fees and charges hereunder) by mailing or providing notice to you at least twenty-one (21) days before the effective date of the amendment. Services and your linked accounts will be governed by the Agreement as amended. We may also send this notice information to you by posting it on our web site or by e-mail. You agree that information we post to our web site or send by e-mail or regular postal mail will be deemed delivered at the time it is posted or sent.

## **20. TERMINATION**

You may terminate this Agreement and any service provided hereunder at any time upon giving at least 10 (ten) days prior written notice of termination to us. Once we have acted upon your termination notice, we will make no further transfers from your eligible accounts, including any fund transfers you have previously authorized. We reserve the right to terminate or to discontinue support of any software or equipment without written notice.

MWO reserves the right to terminate your use of the Services at any time without notice to you upon or during an Event of Default, or any other Service Agreement, subject to any applicable cure periods, or if we have reason to believe you are not complying with this Business Online Cash Manager & Mobile Banking Agreement and Disclosure Statement, as determined in our reasonable discretion.

## **21. CUMULATIVE REMEDIES**

Every remedy, right and benefit is cumulative and is in addition to every other remedy, right or benefit under this Agreement, any applicable Service Agreement, or that may exist at law.

## **22. PROVISIONS SURVIVE**

Any of your obligations with respect to any of the Services, the terms of this Agreement, or the terms of any applicable executed Service Agreement shall survive any termination of this Agreement, or the terms of any applicable executed Service Agreement.

## **23. NON-ASSIGNMENT**

You may not assign this Agreement or any of the rights or duties hereunder to any person without MWO's prior written consent.

## **24. GOVERNING LAW**

This Agreement, and all of the Service Agreements, unless otherwise stated therein, shall be construed in accordance with and governed by all applicable state ("Governing Law State"), local, and federal laws of the United States of America, as may be amended from time to time, all as reasonably determined by MWO in its sole discretion. The parties agree to the jurisdiction of the state and federal courts of the Governing Law State with respect to any lawsuit pertaining to this Agreement. In the event either party hereto brings legal action to enforce this Agreement, or any of the Services Agreements, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

## **25. ALERTS TERMS & CONDITIONS**

The following Alerts terms and conditions ("Alerts Terms of Use") only apply to the Alerts feature (as defined below). If Alerts are not available to you, then this Alerts Terms of Use does not apply. To the extent there is any conflict between the terms of the Agreement and this Alerts Terms of Use with respect to Alerts, then the terms in this Alerts Terms of Use shall apply.



Alerts. Your enrollment in Online & Mobile Banking Services includes enrollment to receive transaction alerts and notifications (“Alerts”). Alerts are electronic notices from us that contain transactional information about your MidWestOne Bank account(s). Alerts are provided within the following categories:

- Mandatory Alerts provide you with important account notifications, such as information about changes to your Online Banking password, PIN, or login information. You do not have the option to suppress these Mandatory Alerts.
- Account Alerts provide you with notification of important account activities or when certain changes are made to your Service accounts. These Alerts are automatically activated for you. Although you may suppress these Account Alerts, we strongly recommend that you do not do so because they provide important information related to your Service accounts.
- Additional Alerts must be activated by you to be enabled. These Additional Alerts can be accessed from the More menu within MidWestOne Bank Mobile Banking. Account Alerts and Additional Alerts must be managed and/or added online through the Service. You cannot maintain all Alerts through your mobile device. We may add new Alerts from time to time, or cancel old Alerts. We usually notify you when we cancel Alerts, but are not obligated to do so. MidWestOne Bank reserves the right to terminate its Alerts service at any time without prior notice to you.

Methods of Delivery. We may provide Alerts through one or more channels (“EndPoints”): (a) a mobile device, by text message; (b) a mobile device, by push notification; (c) an email account, by an e-mail message; or (d) your MidWestOne Bank Online Banking message in-box, by an e-mail message. You agree to receive Alerts through these EndPoints, and it is your responsibility to determine that each of the service providers for the EndPoints described in (a) through (c) above supports the email, push notification, and text message Alerts provided through the Alerts service. Please be advised that text or data charges or rates may be imposed by your EndPoint service provider. Alert frequency varies by account and preferences. You agree to provide us a valid mobile phone number or email address so that we may send you Alerts. If your email address or your mobile device’s number changes, you are responsible for informing us of that change. Your Alerts will be updated to reflect the changes that you communicate to us with regard to your primary and secondary email addresses or mobile device number.

Alerts via Text Message. To stop Alerts via text message, text "STOP" to 99588 at any time. Alerts sent to your primary email address will be unaffected by this action. To restore Alerts on your mobile phone, just visit the Alerts tab in MidWestOne Bank Online Banking and click the box next to your mobile number for the Alerts you’d like to receive again. For help with SMS text alerts, text “HELP” to 99588. In case of questions please contact customer service at 319-356-5800. Our participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, Verizon Wireless, MetroPCS.

Limitations. MidWestOne Bank provides Alerts as a convenience to you for information purposes only. An Alert does not constitute a bank record for the deposit or credit account to which it pertains. We strive to provide Alerts in a timely manner with accurate information. However, you acknowledge and agree that your receipt of any Alerts may be delayed or prevented by factor(s) affecting your mobile phone service provider, internet service provider(s) and other factors outside MidWestOne Bank’s control. We neither guarantee the delivery nor the accuracy of the contents of each Alert. You agree to not hold MidWestOne Bank, its directors, officers, employees, agents and service providers liable for losses or damages, including attorneys’ fees, that may arise, directly or indirectly, in whole or in part, from (a) a non-delivery, delayed delivery, or the misdirected delivery of an Alert; (b) inaccurate or incomplete content in an Alert; or (c) your reliance on or use of the information provided in an Alert for any purpose.

Alert Information. As Alerts delivered via SMS, email and push notifications are not encrypted, we will never include your passcode or full account number. You acknowledge and agree that Alerts may not be encrypted and may include your name and some information about your accounts, and anyone with access to your Alerts will be able to view the contents of these messages.

**Services will expire due to inactivity if not accessed for a period of 365 days. MidWestOne for Business registrations will be removed after 180 days of no activity.**



## BUSINESS MOBILE DEPOSIT TERMS AND CONDITIONS

This agreement is an addendum to the Business Online Cash Manager & Mobile Banking Agreement & Disclosure (Addendum). The following information represents the “Business Mobile Deposit Terms and Conditions” between you and MidWestOne Bank. Please read this entire Addendum prior to using the Business Mobile Deposit service and retain a copy for your records.

### 1. DEFINITIONS

In addition to the definition regarding “we”, “our”, and “us” meaning MidWestOne Bank and “you” or “your” meaning each accountholder or anyone else with the authority to deposit, withdraw, or exercise control over the funds in the Account(s), the following definitions apply:

- 1.1. “Authorized User(s)” means you, your agent, or any person authorized to access your accounts in Business Online Cash Manager.
- 1.2. “Account(s)” means deposit accounts that you are an owner or authorized signer of a MidWestOne Bank account and meet the qualification of this “Service”.
- 1.3. “Banking Day” means any day which we are open to conduct substantially all of our banking services, but shall not include Saturday, Sunday, or Federal holidays.
- 1.4. “Capture Device” means any device acceptable to us, that provides for the capture of images from original “Items” and for transmission through a clearing process.
- 1.5. “Check” means an original Check, as defined in Regulation CC (Reg CC) and “Check 21” and does not include an IRD/Substitute Check (see 1.10) or a “Remotely Created Check” (see 1.15).
- 1.6. “Check 21” means the Check Clearing for the 21st Century Act, as well as Subpart D of Federal Reserve Board Reg CC, and to the extent applicable, Subpart A.
- 1.7. “Electronic Item” means the electronic image created an Authorized User’s device.
- 1.8. “Equipment” means that to use Business Mobile Deposit, you must have a supported mobile device, such as a smartphone or tablet that is compatible with the MidWestOne for Business app, with a camera and a supported operating system, have a data plan for your mobile device, and download the app to your mobile device. We do not guarantee that all mobile devices and operating systems are compatible with the Service.
- 1.9. “Eligible Items” shall mean only a scan and deposit of checks as that term is defined in Federal Reserve Reg CC. You agree that the image of the check transmitted to us shall be deemed an Item within the meaning of the Article 4 of the Uniform Commercial Code as adopted in Iowa. You agree that all Authorized Users will not use the Service to scan and deposit any checks or other items shown below in Section 1.12, “Ineligible Item”.
- 1.10. “IRD” or “Image Replacement Document” means (a) a Substitute Check as defined in Check 21; or (b) the paper reproduction that will be created when an Item cannot be converted to an electronic e\transaction.
- 1.11. “Item” means a Check, cashier’s check, official check, U.S. Treasury check, or any other payment instrument drawn on or payable through an Office of a United States financial institution from a Payor to you or your business, in addition to other required information as

specified by us; it is understood that Authorized Users will only be transmitting electronic images of the front and back of Items and not any paper Items. In order for an Item to be processed for deposit, it must be endorsed in the proper location on the back of the "Item". All Items must be payable in U.S. Dollars.

1.12. "Ineligible Item" means:

- Checks or items containing obvious 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 otherwise not authorized by the owner of the account on which the check or item is drawn, and that all signatures are authentic and authorized;
- Checks or items previously converted to a "Substitute Check or IRD", as defined in Reg CC;
- Checks or items drawn on a financial institution located outside the United States;
- Checks or items that are "Remotely Created Checks", as defined in Reg CC;
- Checks or items not payable in United States currency;
- Checks or items dated more than six (6) months prior to the date of deposit or postdated;
- Money orders or Savings bonds.

1.13. "Payor" means consumers or businesses that make payments to you or your business by means of Items.

1.14. "Remotely Created Check" means a check is not created by the paying bank and does not bear the signature applied, or purported to be applied, by the person on who's Account the check is drawn.

1.15. "Service" means the Business Mobile Deposit Service and applicable support services provided by us, including electronic check conversion and image archive systems that allow the use of a Capture Device to obtain and transmit the front and back images of Items and accompanying transaction data for the purpose of delivery to us for clearing as an IRD. This Service allows an Authorized User to use an approved mobile device to create an Electronic Item of the front and back of certain checks that you wish to deposit to your Account through Business Mobile Deposit. These images are transmitted to us for review and processing in accordance with this Addendum.

1.16. "Service Start Date" means the date that the Service is first available to any Authorized User.

1.17. "Technology" means our or our subcontractor's deposit capture applications and processes designed to facilitate the electronic clearing of Items. Said applications are accessed through Capture Devices, utilizing software and hardware provided by or acceptable to us, and are proprietary access points to payment processing networks and systems used to complete the clearing of Items. Technology may include but is not limited to service support, reports, software, software tools, user interface designs, and documentation, and any derivatives, improvements, enhancements or extensions thereof developed or provided by us or our subcontractors and used in the provision of Services hereunder.

1.18. "Term" and "Termination" shall mean the term of this Addendum beginning when an Authorized User uses Business Mobile Deposit and shall continue for so long as any

Authorized User continues to use the Service. We may at any time terminate your use of Business Mobile Deposit. See Section 7, Termination.

## 2. YOUR OBLIGATIONS

- 2.1. Accepting this Addendum. Clicking “Accept” at enrollment constitutes your acceptance of the Business Online Cash Manager & Mobile Banking Agreement & Disclosure Statement and this Addendum. You acknowledge that you have read this Addendum and will retain a copy for your records. You agree to use Business Mobile Deposit solely as provided in this Addendum and the applicable online instructions.
- 2.2. Hardware and Software Requirements. In order to utilize the Service, you must be registered for MidWestOne Business Online Cash Manager, have the MidWestOne for Business downloadable application installed on the Capture Device, and the Capture Device should have at least two mega-pixels in resolution. Image quality of the Items must comply with requirements as established by us or applicable law and regulatory agencies. The MidWestOne for Business downloadable application is available for supported iPhone®, iPad®, iPad Mini®, and Android® devices.

In order to use the Service, you must obtain and maintain, at your expense compatible software and hardware as specified by us from time to time. We are not responsible for any third party software you may need to use the Service. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at the time of download and installation.

- 2.3 Your Responsibilities. You authorize us to convert Items to IRDs or transmit as an image and further authorize us or any other financial institution to which an Item is sent for processing. You agree to, at your sole expense:
  - Provide connectivity between the Capture Device and the Technology (such as data plan from a mobile cell phone carrier);
  - Maintain the Capture Device in accordance with the instructions provided by us, our subcontractors and/or any other Capture Device provider;
  - Utilize our software to scan, load, and format Items as needed for transmission to us prior to the communicated cut-off-time;
  - Adhere to the agreed upon security procedures in the Business Online Cash Manager & Mobile Banking Agreement & Disclosure Statement and this Addendum.
- 2.4. Security. You are solely responsible for the security of all Capture Devices used by Authorized Users. We expressly disclaim any responsibility for the security of hardware, software, wireless communication networks or any equipment, facilities or communication channels we do not own or control. Failure to properly secure your mobile device and security credentials may allow an unauthorized party to access the Service and transmit an Electronic Item for deposit. Any use of the Service through an Authorized User’s security credentials will be deemed to be authorized by you and binding upon you. You assume the entire risk for fraudulent or unauthorized use of any Authorized User’s security credentials. Additionally,
  - You agree to contact us immediately if you become aware of any loss, theft, or unauthorized use of the Service or your security credentials.

- You are responsible to review all statements in a timely manner and report in writing any irregularities to the Bank at once.
- 2.5. Charges or Fees. **We charge a fee of \$0.50 per item deposited through Business Mobile Deposit.** We may, upon thirty (30) days advanced notice to you, change this fee for the Service. **This fee will be assessed to the account the item was deposited into through Business Mobile Deposit by any Authorized User.** If an Item an Authorized User transmits for deposit is dishonored, rejected or otherwise returned unpaid you agree that we may charge back the amount of the return to your account the item was originally deposited to and you will be assessed a fee in the amount shown on our current Business Service Fee Schedule for a returned deposit item.
- 2.6. Handling of Transmitted Items & Destruction of Original Check. You shall retain in a secure location all original Checks deposited through Business Mobile Deposit for a period of sixty (60) calendar days following such deposit. You shall ensure Items are not deposited a second time. During this period of retention you shall produce one or more of the original Items as may be requested by us. You shall destroy by shredding all original Items on the first business day following the sixtieth (60th) calendar day.
- 2.7. Error Resolution. All deposits made through the Service shall be deemed to be correct unless you notify us of any errors to deposits within sixty (60) days after the applicable account statement is mailed or otherwise provided to you. You agree to notify us of any errors to your deposit account within the above mentioned time frame.

### 3. WITHDRAWAL OF ACCESS/SUSPENSION OF SERVICE

- 3.1. We reserve the right to deny, suspend or revoke access to the Service immediately, in whole or in part, in our sole discretion, without notice, if we believe any Authorized User is in breach of this Addendum or is otherwise using or accessing the Service inconsistent with the terms and conditions hereof. Further, we or our subcontractor shall have the right to suspend the Service immediately in the event of an emergency or in the event of force majeure.

### 4. PAYMENT PROCESSING

- 4.1. IRD Processing. Items may be transmitted for electronic processing by other banks or converted to IRDs and transmitted to a printing facility for printing and clearing through traditional paper processing channels, at our sole discretion. The IRDs will be created in accordance with Check 21; alternatively, we may process Items as photocopies in lieu of originals, under guidelines established in accordance with applicable industry standards. Items that fail to satisfy the warranties made to us by you, that fail to meet our requirements or those of Check 21, or that are otherwise not able to be processed may be charged back to your Account(s) and/or returned to you. You agree to be bound by any applicable laws, rules and regulations to which we are a party.
- 4.2. Processing of Items. Images of Items transmitted by you are not considered received by us until you have received an electronic confirmation of the receipt of the deposit from us. However, receipt of the confirmation from us does not mean that the transmission was error free or complete. We reserve the right to review all deposited Items prior to accepting the Items for processing. We may reject or refuse Items according to our sole discretion. Items transmitted by an Authorized User and received and accepted by us or our subcontractors by 6:00 PM Central Time (CST) on a Banking Day, Monday through Friday, and on Christmas Eve Day and New Year's Eve Day, by 12:30 PM CT shall be credited to the applicable account the following Banking Day. Items received and accepted by us after 6:00 PM CT on any Banking Day or Christmas Eve Day and New Year's Eve Day, by 12:30 PM CT shall be credited to your applicable account on the second successive Banking Day. You understand

and agree funds from Items deposited under the terms of this Addendum are not subject to our funds availability policy and will generally be available after processing and once funds are received. We reserve the right to postpone or delay the availability of funds from Items deposited at our sole discretion. We will notify you at the latest email address or mobile number we have on file (by text message, message and data rates apply) if availability of the funds from Items deposited is postponed or delayed.

We will process all transactions received during the hours established, except when prevented from doing so due to equipment or electrical failures or any other condition beyond the reasonable control of the Bank. If Business Mobile Deposit is not functioning you will need to make your deposit at a banking office.

- 4.3. **Availability of Funds.** You agree that items transmitted using the Service are not subject to the MidWestOne Bank Funds Availability policy. We reserve the right to hold funds from deposits submitted using the Service until final collection. We may make such funds available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transactions and experience information, and such other factors as we, in our sole discretion, deem relevant. Our making funds available prior to final collection is not a guarantee that the item will be paid. You understand and agree that you will be responsible for restoring any negative balance that results from lawful return of any deposited item by the paying institution.
- 4.4. **Deposit Limits.** We reserve the right to impose limits on the amount(s) and/or number of deposits that an Authorized User transmits using the Service and to modify such limits from time to time.
- 4.5. **Receipt of Items.** We reserve the right to reject any item transmitted through the Service, at our discretion, without liability to you. We are not responsible for Items we do not receive or for images that are “dropped” during transmission. An image of an Item shall be deemed received when you receive a confirmation from us that we have received the image. Receipt of such confirmation does not mean the transaction was error free or complete.
- 4.6. **Reject Deposits.** We reserve the right to reject or refuse any Items or group of Items that exceed our pre- defined limits. We also reserve the right to refuse or reject any Item that we determine, at our sole discretion, may be invalid or returned to us if allowed to process. We will notify you or an Authorized User at the latest e-mail address or mobile number we have on file (by text message, message and data rates apply) if availability of the funds from Items deposited is rejected, refused, postponed or delayed.
- 4.7. **Exception Items.** Each Banking Day we will use commercially reasonable efforts to review each Electronic Item and to reject any that we determine to be ineligible for deposit through Business Mobile Deposit. We will notify you or an Authorized User of each exception item by telephone or at the latest email address or mobile number we have on file (by text message, message and data rates apply) at our discretion. If you wish to attempt to deposit an exception items to your account, you shall do so only by depositing the original check or as otherwise agreed between us. Even if we do not initially identify an exception item when we review and process the electronic item, it may nevertheless be returned to us because, among other reasons, the paying bank determines that it is ineligible or is missing an image. Our failure to identify an exception item shall not preclude or limit your obligation to the Bank under Section 2, Your Obligations, and Section 5, Warranties and Disclaimers, of this Addendum.
- 4.8. **Your Liability.** You shall be solely responsible if any Item for which you have been given provisional credit is subject to return or reversal. You acknowledge that all credits to your Account for Items deposited through the Service are provisional, subject to verification and final settlement. Any dishonored Items will be returned as an image of the original or a

substitute check as the charged-back Item.

- 4.9. **Limitations of Service.** When using the Service, you or an Authorized User may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. 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.

## 5. WARRANTIES & DISCLAIMERS

- 5.1. **Your Warranty.** You represent and warrant to us:

- You have the authority to enter into this Addendum and perform its obligations hereunder and all information supplied by you to us is accurate and true;
- You will provide all reasonable assistance to us and our subcontractors in providing the Service set forth herein;
- Authorized Users will only use the Service for lawful purposes and in compliance with all applicable rules and regulations and with our reasonable instructions, rules, policies, specifications, terms and conditions, and operating procedures and will not violate any law of any country or the intellectual property rights of any third party;
- Authorized Users will only transmit acceptable eligible Items for deposit and will handle the original Items following transmission to us as agreed;
- Each Item an Authorized User deposits is payable to you or your business
- The Items have not been altered;
- Each Item bears all applicable endorsements in a format as directed by us;
- All the warranties set forth in and subject to applicable laws and regulatory agencies;
- (1) The electronic image portion of each Item accurately and legibly represents all of the information on the front and back of the original Item as of the time the Item was deposited, (2) The information portion of the Item contains a record of all applicable MICR-line information required for a substitute check, and (3) The Item conforms to the technical standards for an electronic Item as specified by us from time to time;
- Authorized Users will submit an accurate and clear image of the front and back of each Item to us only one time. You will not submit any duplicate items, or previously deposited items unless you have been notified by us it is okay to do so.
- Authorized Users will verify the accuracy of information before transmitting to us.

- 5.2. **Our Warranty.** We warrant that we have the authority to enter into this Addendum and perform its obligations.

- 5.3. **Disclaimer.** Business Mobile Deposit is provided as an “as is” and “as available” basis. Except as set forth above in Section 5.2, we and our subcontractors make no representations or warranties, whether express, implied or statutory regarding or relating to any of the technology or services and/or access to or use of the services or technology provided to you hereunder. We and our subcontractors also do not guarantee that your access to the services provided under this Addendum will be uninterrupted, error free or secure. We and our subcontractors also do not guarantee the accuracy of, and specifically disclaim liability for, information or data that is supplied or key-entered by you or your agents. We and our subcontractors do not warrant the accuracy, reliability, completeness or timeliness of the content of internet websites or other data received by you or Payors via the Internet. There are certain security, information corruption, transmission error, and access availability risks associated with using open networks such as the Internet and/or telecommunication lines or circuits. You hereby assume all such risk associated with the use of Business Mobile Deposit.

- 5.4. **Third Party Beneficiary.** You agree that our Third Party Service Providers, including Fiserv

Solutions, Inc., may rely upon the provisions of the Addendum, including its disclaimer of warranties and any limitations of liability that such Third Party Service Providers are, for the purpose of this Addendum, third party beneficiaries to the Addendum with the power to enforce this Addendum.

## **6. LIMITATION OF LIABILITY / INDEMNIFICATION**

- 6.1. **Limitation of Liability.** Notwithstanding anything to the contrary herein, in no event will our liability under this Addendum for any damages of any kind exceed an amount equal to the amount of Items received by us from you for the Service during the month preceding the date on which the claim first occurred. We shall not be liable for any special, indirect or consequential damages, even if we have been advised of the possibility of these damages.
- 6.2. **Indemnification.** In addition to our indemnification obligations in this Addendum, and except for losses or expenses attributable to our own gross negligence or willful misconduct, you agree to indemnify and hold us harmless and all of our past, present, and future officers, directors, employees, agents, shareholders, attorneys and affiliates from all claims, demands, judgments, orders, liabilities, losses, actions, causes of actions, and for any loss or expense sustained (including interest, costs, attorney's fees and expenses of litigation) resulting from (i) your lack of authority to make the warranty in subsection 5.1 (E); (ii) any action taken or not taken by us within the scope of our authority in handling an Item; (iii) any warranty required to be made by us with respect to an Item under applicable law or regulation; and (iv) breach of the warranties in subsections 5.1(A) through 5.1(K) relating in any way to this Addendum, and any access to or use of Business Mobile Deposit.

## **7. TERMINATION**

- 7.1. **Termination.** In addition to the denial, suspension, revocation and termination provisions in this Addendum, we may immediately terminate the Service or any portion of the Service if we determine that such Service or portion of any Service is in violation of any law or regulation, or in our sole discretion and without notice, decide to cease providing this Service. We reserve the right to terminate or to discontinue support of any software or equipment without written notice. We reserve the right to terminate your and any Authorized User's use of Business Mobile Deposit at any time.

You may terminate this Addendum and any service provided hereunder at any time upon giving at least ten (10) Banking Days prior written notice of termination to us. Once we have acted upon your termination notice, Authorized Users will make no further deposits through the Service into your Accounts. Any termination will not affect any obligations arising prior to termination, such as the obligation to process any Items that were processed or in the process of being transmitted or collected prior to the termination date, or any returns of the same.

## **8. AMENDING THIS ADDENDUM**

- 8.1. The Bank may change, amend, or otherwise revise this Addendum at any time.

## **9. ENTIRE AGREEMENT; CONFLICTING TERMS**

- 9.1. This Addendum forms part of and is incorporated by reference into the Business Online Cash Manager & Mobile Banking Agreement & Disclosure Statement. Except as amended by this Addendum, the aforementioned Terms and Conditions remain in full force and effect. In the event of any conflict between this Addendum and the Business Online Cash Manager & Mobile Banking Agreement & Disclosure Statement, the Addendum shall govern with respect to

Business Mobile Deposit.