

Security First Bank

OF NORTH DAKOTA

Business Remote Deposit Agreement & Mobile Remote Deposit Capture Terms & Conditions

This agreement is intended to govern the depositing of checks through the Internet by an Internet enabled device or by creating information to deposit checks through the software provided by Security First Bank of North Dakota ("Security First Bank"), based on information submitted by the customer to Security First Bank. The mutually agreed upon and accepted terms are as follows:

1. DEFINITIONS.

1.1 "Account" means the customer's designated deposit account at the Security First Bank.

1.2 "Customer Day" means any calendar day that the Federal Reserve of the United States of America transacts business.

1.3 "Check" means a draft, payable on demand and drawn on or payable through or at an office of a bank domiciled in the United States, whether or not negotiable, that is handled for forward collection, including a Substitute Check and a traveler's check; and does not include a non-cash item payable in a medium other than United States dollars.

1.4 "Customer" means a debtor obligated on one or more Checks.

1.5 "Remote Deposit Service" means all information, Web-based services, technological infrastructure, and installed software on the customers Internet enabled device(s), which allow the Customer to submit Checks for deposit to Security First Bank through the Internet.

1.6 "Security Procedures" means the use of identification codes, encryption, passwords, logon identifications, personal or location identification numbers, repetitive codes, and other security devices, systems, and software used by the Customer to communicate through the Internet for the Remote Deposit Service.

1.7 "Services" means all duties to be performed by the Security First Bank regarding the Remote Deposit Service.

1.8 "Substitute Check" means a paper reproduction of the original check that:

- a) contains an image of the front and back of the original check;
- b) bears a MICR line containing all of the information on the MICR line of the original check, except as provided under generally applicable industry standards for Substitute Checks to facilitate the processing of Substitute Checks;
- c) conforms, in paper stock, dimension, and otherwise, with generally applicable industry standards for Substitute Checks; and,
- d) is suitable for automated processing in the same manner as the original check.

2. DUTIES AND RESPONSIBILITIES OF THE SECURITY FIRST BANK.

2.1 Use of Service. Under the terms and conditions of this Agreement, Security First Bank hereby grants to Customer a non-exclusive ability to utilize the Remote Deposit Service through the Internet or by creating information to deposit checks through the software provided by Security First Bank, for the term of this Agreement.

2.2 Processing. Security First Bank will process and deposit into the Account Checks submitted by Customer through the Remote Deposit Service in accordance with Security First Bank's internal procedures and all state and federal laws and regulations during any Customer Day, subject to the Cutoff Time noted in Schedule A, which may be changed from time to time at the sole discretion of Security First Bank with written notice to the customer. Security First Bank will not examine Checks to verify any data or dates. Security First Bank will process the Check according to the image taken by Customer, if applicable, or by the numeric amount shown. If the numeric amount is unclear, Security First Bank may process the Check using the written amount, and Security First Bank may correct the amount as needed. If the Check is ambiguous, Security First Bank may return the Check as an exception. Checks made properly payable to the Customer are acceptable for deposit. If a Check does not have the necessary information to be processed by Security First Bank, then Security First Bank may treat the Check as an exception. If a Check is treated as an exception, it will be forwarded by Security First Bank to the Customer, and not deposited or

otherwise reflected in the Customer's account. Security First Bank will disregard any notation on a Check saying "paid in full" or other restrictive notation, whether preprinted or handwritten, and treat any such Check as though such notation did not appear thereon.

2.3 Reporting. Security First Bank will make reports regarding the Remote Deposit Service available through a Security First Bank designated Web page, which the Customer may access through the Internet. Specifically, Security First Bank shall make available from time to time a report stating the total amount deposited to the Account, as well as a listing of individual items deposited, which the Customer may access through the Internet.

3. DUTIES AND RESPONSIBILITIES OF THE CUSTOMER.

3.1 Use of Remote Deposit. The Customer shall submit valid Checks payable to Customer by using the Remote Deposit Service. When using the Remote Deposit Service, Customer shall create an image of the Check or Checks and the associated MICR data using approved hardware as listed on the Terms of Use and Procedures. If applicable, Customer agrees to enter in the amount of the Check into the Remote Deposit Service in the data field provided using the written amount of the Check. Customer agrees to only use a scanner in conjunction with the Service that has been provided by or purchased from Security First Bank and further agrees that said scanner may only be used to deposit checks to the Customer's Account at Security First Bank using the Service. Customer warrants that by scanning or taking an image picture with a mobile device that the items are clear and legible for our Service to properly process such items. Customer agrees and acknowledges that once the item is scanned and/or properly image captured, the Check may never be deposited again, and the Customer is responsible for the destruction of the Check. Customer agrees to abide by all Terms of Use and Procedures for using the Remote Deposit Service. The Terms of Use and Procedures are published by Security First Bank and shall be updated from time to time by Security First Bank.

3.2 Software, Internet, and Hardware. The Customer will comply with all software, Internet, and hardware requirements of the Terms of Use and Procedures issued by Security First Bank and as updated from time to time.

3.3 Fee for Services. Customer shall compensate Security First Bank for the performance of the Service in accordance with the pricing established by Security First Bank, which is attached hereto as Schedule A. Amounts payable by Customer to Security First Bank shall be collected on a monthly basis by Security First Bank. Security First Bank may collect any of the foregoing amounts and any other amounts due from the Customer to Security First Bank hereunder or in connection with the provision of the Service to Customer by either debiting any of Customer's accounts with Security First Bank, billing Customer, and/or setting off against any amounts Security First Bank owes Customer, without any obligation to give prior notice thereof to Customer. Security First Bank may change pricing from time to time by providing Customer with thirty (30) days written notice of a pricing change. If Customer does not accept the pricing change, then Customer must notify Security First Bank within fifteen (15) days of the effective date of the pricing change. Customer shall also pay any sales, use, or similar tax applicable to the Service, if Security First Bank is required to pay any such taxes, Customer shall reimburse Security First Bank upon demand. Customer shall also pay all attorneys' fees and other costs and expenses Security First Bank may incur in collecting any fees or other sums Customer may owe to Security First Bank in connection with the Service. Security First Bank shall also have the right to credit or debit any accounts of Customer with Security First Bank to correct any processing irregularity in connection with the Service.

4. REPRESENTATIONS, WARRANTIES, COVENANTS, AND LIABILITY

4.1 Representations and Warranties. Each party, Customer and Security First Bank, represents and warrants to the other party, that as of the date of this Agreement and at the time the Service is used or performed, that: (a) it is validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has all requisite power and authority to execute and deliver, and to perform its obligations under, this Agreement and the Service used or performed by it; (c) this Agreement has been duly authorized and executed by it and constitutes its legal, valid, and binding obligation; and (d) any consent or authorization of any governmental authority or third party required to be obtained by it in connection with this Agreement or the Service used or performed by it has been obtained. Security First Bank makes no representation or warranty, express or implied, and disclaims all warranties as to the merchantability, fitness for a particular purpose, or suitability of the Services for the Customer, or as to the compatibility of Security First Bank's software, equipment, or communication interfaces with those of Customer. The Customer represents and warrants that: (a) it is fully authorized to enter into and perform under this Agreement, and that this Agreement constitutes its legal, valid, and binding obligation; (b) the Customer is solvent and in good standing in the State of its organization; (c) it is not the present intent of the Customer to seek protection under any bankruptcy laws; (d) its Checks are currently and were at the time of their creation, bona fide and existing obligations of the makers of the Checks to the Customer, free and clear of all security interests, liens, and claims

whatsoever of third parties and are not now nor have they ever been declared in default; (e) the documentation under which the Checks are payable authorizes the payee to charge and collect the monies owed; and (f) all Checks and all documents and practices related to them comply with all applicable federal and state laws.

4.2 Covenants. The Customer covenants that: (a) it will allow Security First Bank to review and inspect during reasonable Customer hours, and the Customer will supply, all financial information, financial records, and documentation of the Customer regarding the Checks that Security First Bank may request; (b) the Checks submitted by Customer are valid Checks, and the Customer will reimburse and indemnify Security First Bank for all losses, damages, and expenses, including reasonable attorneys' fees, incurred in defending such transactions as invalid or fraudulent Checks; (c) physical Checks will only be presented once and will not be presented to any financial institution again after the Checks have been presented through the Remote Deposit Service, and the Customer agrees to assume all liability for any checks that are re-presented to any financial institution in any manner; (d) the Customer will be fully responsible for any losses resulting from its failure to safeguard the physical checks and will store the physical checks in a secured area and destroy them by cross cut shredding or incineration no less than forty-five (45) days and no more than sixty (60) days after processing them through the Remote Deposit Service; (e) the Customer is solely responsible for lost files and transmissions and will notify Security First Bank if an acknowledgement sent by Security First Bank indicating receipt of remote deposit items is not received on the day of processing; (f) the Customer is responsible for scanning the Checks in a manner which will insure a quality, legible image; (g) the Customer acknowledges that it is solely responsible for meeting any deposit deadlines; (h) the Customer agrees that he/she/it will follow and be bound by all applicable check or ACH clearing rules and agrees to be fully responsible for all warranties associated with the presentment of substitute checks; (i) the Customer acknowledges and agrees that credit given to the Customer by Security First Bank for any items deposited is provisional and that the Customer will reimburse Security First Bank for any loss it sustains in accepting items for deposit from the Customer; (j) the Customer agrees that Security First Bank is not responsible for the accuracy of, or any information contained in any file or deposit transmitted or submitted to Security First Bank; (k) in the event of the commencement of any proceeding under any bankruptcy or insolvency laws by or against the Customer, the Customer will not oppose or object to any motion by Security First Bank seeking relief from the automatic stay provisions of such laws.

4.3 Liability. Security First Bank will exercise ordinary care in providing the Service and will only be responsible for any loss sustained by Customer to the extent such loss is caused by Security First Bank's reckless or willful misconduct. In no event shall clerical errors or mistakes in judgments constitute failure to exercise ordinary care, nor shall Security First Bank have any liability for any indirect, incidental, consequential (including lost profits), special, or punitive damages, whether arising in contract or in tort, and whether or not the possibility of such damages was disclosed to or could have been reasonably foreseen by Security First Bank. Under no circumstances shall Security First Bank be responsible for any liability, loss, or damage resulting from any delay in performance of or failure to perform in connection with the Service which is caused by interruption of telephone, facsimile, or communication facilities; or any delay in transportation, or equipment breakdown, or mechanical malfunction; or electrical, power, or computer failure; or accidents, fire, flood, explosion, theft, natural disaster, or other catastrophe; acts or failure to act by Customer or any third party; or strikes or lockouts; or emergency conditions; or riots, war, acts of government, or other circumstances which are unavoidable or beyond Security First Bank's control. Security First Bank shall not be liable for failure to perform any of its obligations in connection with the Service if such performance would result in it being in breach of any law, regulation, or requirement of any governmental authority. If Security First Bank fails to credit any of Customer's accounts utilized in connection with the Service in accordance with the Service's Terms and Conditions applicable as of the date such credit was earned, upon discovery or notification of such error, Security First Bank will properly credit such account, but Security First Bank shall not incur any liability as a result of any error, including any loss resulting from the Customer investing the amount of funds that were not properly credited to the account.

5. INDEMNIFICATION. Customer shall indemnify and hold harmless Security First Bank and each of its directors, officers, employees, agents, successors, and assigns ("Indemnitees") from and against all liability, loss, and damage of any kind (including attorneys' fees and other costs incurred in connection therewith) incurred by or asserted against such Indemnitees in any way relating to or arising out of the Service, by reason of any acts or omissions of Customer or any third party or otherwise, except to the extent such liability, loss, or damage is caused by the gross negligence or willful misconduct of such Indemnitees (provided that reliance, without further investigation, on any oral, telephonic, electronic, written, or other request, notice, or instruction believed in good faith to have been given by Customer will in no event constitute gross negligence or willful misconduct on the part of such Indemnitees).

6. SECURITY PROCEDURES AND COMMUNICATIONS. Certain Security Procedures designed to verify the origination (but not errors in transmission or content) of instructions, orders, and other communications sent by Security First Bank and Customer might be used in connection with the Service. Customer agrees that any such mutually agreed-upon Security Procedures shall be deemed commercially reasonable. Security First Bank shall not be obligated to act on a communication not transmitted in accordance with the Security Procedures and may refuse to act on any communication where Security First Bank reasonably doubts its authorization, contents, origination, or compliance with the Security Procedures. Security First Bank shall have no duty to discover, and shall not be liable for, errors or omissions by Customer. If Security First Bank complies with the Security Procedures relative to a communication, Security First Bank shall be entitled to act on that communication and shall not be obligated to verify the content of such communication, to establish the identity of the person giving it, or to await any confirmation thereof, and Security First Bank shall not be liable for acting on, and Customer shall be bound by, any communication sent in the name of Customer, whether or not authorized. Security First Bank reserves the right to issue new Security Procedures and/or to cancel or change any Security Procedures from time to time. Whenever the Security Procedures include the assigning to Customer of any confidential password, logon identification, identification code, personal or location identification number, repetitive code, or similar security device, Customer shall not disclose such security device except to employees or agents authorized to act for Customer in connection with the Service. Customer shall implement such safeguards as are reasonably necessary to ensure the confidentiality and integrity of such security devices, and shall immediately notify Security First Bank if the confidentiality or integrity of any such security device is breached or threatened. Customer shall be solely responsible for the safekeeping of such security devices and assumes all risk of accidental disclosure or inadvertent use of such security devices by any party whatsoever, whether such disclosure or use is on account of Customer's negligence or deliberate acts or otherwise. Security First Bank shall not be liable for any loss or damage resulting from fraudulent, unauthorized, or otherwise improper use of any security devices.

7. CONFIDENTIALITY. All user guides, manuals, data, software, processes, and other information provided to Customer in connection with the Service and all fee and pricing information related to the Service ("Information") is the proprietary and confidential property of Security First Bank and/or its relevant licensors or suppliers. Customer agrees to use the Information only in the manner specified by Security First Bank and in the ordinary course of Customer's commerce, to return it to Security First Bank upon termination of the relevant Service, and to keep the Information confidential and limit access thereto only to its agents and employees who require access in the normal course of their duties, except to the extent the Information is already in the public domain or Customer is required to disclose the Information by law.

8. INTERMEDIARIES. Security First Bank may act on any communication and provide the Service using any payment system or intermediary organization it reasonably selects. Security First Bank's performance of the Service is subject to the rules and regulations of any such system or organization. Security First Bank may engage third parties to provide the Service. Security First Bank shall have no obligation to disclose arrangements with third parties to Customer or obtain Customer's consent thereto. Customer authorizes the transfer of information relating to Customer to agents of Security First Bank or Customer for use in connection with the Service or as required by law.

9. RECORDINGS AND RECORDS. Either Customer or Security First Bank may produce telephonic or electronic recordings or computer records, including email and telefacsimile transmissions, as evidence in any proceedings brought in connection with the Service. Customer agrees to Security First Bank's telephonic or electronic recording for security and quality of service purposes.

10. NOTICES. Any notice or other communication may be sent by Security First Bank to Customer at Customer's postal, email, telefacsimile, or other address provided by Customer to Security First Bank, and Security First Bank may assume that any notice or communication sent to Customer at any such address has been received by Customer, until Customer notifies Security First Bank in writing of another address. Upon receipt of a notice of change in address, Security First Bank shall have one Customer day to adopt said address change.

11. ACCOUNTS. All Customer's accounts utilizing the Service at Security First Bank are subject to Security First Bank's terms and conditions of deposit accounts and availability schedules in effect from time to time, provided that in the event of any conflict between this Agreement and Security First Bank's terms and conditions of deposit accounts, this Agreement shall prevail.

12. DISCREPANCIES. Customer shall promptly notify Security First Bank in writing of any error in connection with the Service and any discrepancies between any records maintained by Customer and any notice Customer receives from Security First Bank with respect to the Service, and Customer shall provide Security First Bank with any information it may reasonably request in connection therewith. Customer agrees that fourteen (14) days is a reasonable time for Customer to notify Security First Bank of errors or discrepancies, unless any other agreements, laws, rules, or regulations provide for a shorter period. Security First Bank shall have the right to correct the amount in the data field for any Check that has an incorrect amount to be consistent with the image of the Check. Notwithstanding the foregoing, if Security First Bank at any time discovers that the legal amount of the Check is different than the amount that has been credited to Customer's Account, Security First Bank may make the necessary adjustment to the Account to correct the discrepancy.

13. COMPLIANCE. Customer shall comply with all laws, rules, and regulations in connection with the Service. Customer agrees to be bound by such rules and agrees that no entries that violate United States law may be initiated. Customer shall be responsible for and shall fully indemnify Security First Bank for any and all fines and assessments imposed on Security First Bank as a result of any infraction or violation of such rules, regulations or laws caused by or attributable to Customer.

14. CONTINGENCY. In the event the Remote Deposit Service is not available due to circumstances beyond the control of the Customer or the Security First Bank, the Customer will make alternate arrangements to present the physical check items to Security First Bank for processing by the Security First Bank.

15. DISCLOSURE. Customer acknowledges that Security First Bank may have certain legal record keeping and reporting requirements with respect to the Service and consents to Security First Bank's disclosure to governmental authorities of information concerning Customer and the Service provided to Customer which Security First Bank believes to be appropriate or necessary to fulfill such legal requirements.

16. FIDUCIARY STATUS. Nothing contained herein shall be deemed to create fiduciary status on the part of Security First Bank in connection with the provision of the Service.

17. TERMINATION. The Customer may terminate the Service by providing written notice to Security First Bank. Termination of such service will be completed within 3 business days after Security First Bank receives written notice of termination from the Customer. Security First Bank may also terminate or suspend the Service immediately without notice to Customer if any of the following occurs: (a) Customer becomes insolvent or files, or has filed against it, any bankruptcy or other insolvency, reorganization, liquidation, or dissolution proceeding of any kind; (b) a material adverse change occurs in Customer or Customer's customer's financial condition; (c) Security First Bank has reason to believe that Customer may have engaged in fraudulent or illegal activity; (d) Customer fails to maintain balances in accounts sufficient to cover overdrafts; (e) Customer violates the terms of this Agreement or any financing arrangement with Security First Bank; (f) Customer fails to provide financial information reasonably requested by Security First Bank; (g) Security First Bank determines it is impractical or illegal to provide the Service because of changes in laws, regulations, or rules; (h) Security First Bank, at its sole discretion, is unable to satisfy itself that the Services have been properly authorized or utilized by Customer; or (i) Security First Bank at its sole discretion decides to unilaterally terminate the Service at any time for any reason whatsoever. Notwithstanding any termination, the terms of this Agreement shall apply to all transactions, which have been initiated prior to termination.

18. GOVERNING LAW; SEVERABILITY. Except to the extent superseded by Federal law, the provision of Services shall be governed by the laws of the state in which the principal office of Security First Bank is located. Customer agrees that the courts of such state shall have jurisdiction to hear any dispute arising out of the Service and submits to the jurisdiction of such courts. Any provision of this Agreement that is unenforceable shall be ineffective to the extent of such provision, without invalidating the remaining provisions of this Agreement. If performance of the Services would result in violation of any law, regulation, or governmental policy, this Agreement shall be deemed amended to the extent necessary to comply therewith.

19. FINANCIAL ACCOMMODATION. Customer and Security First Bank agree that this Agreement and the Service constitute an agreement to provide a "financial accommodation" as defined in 11 U.S.C. §365.

20. ARBITRATION. All disputes, controversies, or differences which may arise between the parties out of or in connection with the Agreement, which cannot be settled by negotiation within thirty (30) days of the delivery of written notice of the dispute, controversy, or difference by the complaining party to the other party, shall be finally settled by binding arbitration in accordance with the commercial arbitration rules. The arbitration of all matters shall be conducted by three (3) arbitrators (“Panel of Three”) with each party selecting one (1) arbitrator, and the third to be selected by the first two from the panel of arbitrators, who shall serve as the chair of the Panel of Three. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of written notice from the other party requesting it to do so, the requesting party may appoint two (2) arbitrators. The place of the arbitration shall be in the same city as the principal office that Security First Bank is located. The arbitration award shall be final and binding upon the parties. Any judgment upon such award may be enforced in any court having jurisdiction, or application may be made to such court for a judicial confirmation of such award and judgment or order of enforcement, as the case may be. The cost of the arbitration shall be borne equally by the parties unless otherwise provided in the arbitration award. The parties hereto agree that the arbitration award will be the sole and exclusive remedy between them regarding any and all claims, counterclaims, or issues. In order to have arbitration as the sole and exclusive remedy the parties hereto exclude the right of appeal to courts of the United States, or any other courts, in connection with any question of law arising in the course of the reference to arbitration or out of the arbitration award.

21. WAIVER OF JURY TRIAL. CUSTOMER AND SECURITY FIRST BANK WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION OR OTHER PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE SERVICES USED BY CUSTOMER.

22. GENERAL. This Agreement manifests the entire agreement between the parties regarding the subject matter hereof and supersedes all prior understandings, writings, proposals, representations, or communications, oral or written, of either party. Neither party relied on any representation or promise by other party that is not set forth in this Agreement. This Agreement may not be assigned by Customer without Security First Bank's prior written consent. Security First Bank may assign this Agreement without Customer's consent. Neither Customer nor Security First Bank shall display any name, trademark, or service mark of the other without the prior written consent of the other. Customer shall not advertise or promote the Service without Security First Bank's prior written consent. This Agreement shall bind and benefit the parties and their successors and assigns. None of the terms of this Agreement may be waived except as Security First Bank may consent in writing, and no agreement with or representation made by any employee of Security First Bank that is in conflict with this Agreement will be binding on Security First Bank unless contained in a written modification of this Agreement signed by an authorized officer of Security First Bank. No delay on the part of Security First Bank in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or power under this Agreement preclude further exercise thereof or the exercise of any other right or power. The rights and remedies under this Agreement are cumulative and not exclusive of any rights or remedies which Security First Bank would otherwise have. Section headings in this Agreement are for convenience of reference only and do not constitute a part thereof. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

Schedule A – Pricing and Delivery Schedule

Mobile Remote Deposit Capture Fees

Per Check Deposited Fee: There is currently no monthly charge.

Mobile Remote Deposit Capture Delivery Schedule

Cutoff Time for Processing: 9:00 A.M., 12:00 P.M., 2:00 P.M. and 4:00 P.M. Central Time

Mobile Remote Deposit Capture items received by Security First Bank after the 4:00 P.M. cutoff time will be processed and credited to the account on the next business day.

Mobile Remote Deposit Capture Limit Tiers

Tier: 1

Maximum Daily Count: 20

Maximum Daily Amount: \$100

Maximum Monthly Count: 50

Maximum Monthly Amount: \$500

Tier: 2

Maximum Daily Count: 20

Maximum Daily Amount: \$500

Maximum Monthly Count: 50

Maximum Monthly Amount: \$2,000

Tier: 3

Maximum Daily Count: 20

Maximum Daily Amount: \$2,500

Maximum Monthly Count: 50

Maximum Monthly Amount: \$10,000

Tier: 4

Maximum Daily Count: 20

Maximum Daily Amount: \$5,000

Maximum Monthly Count: 50

Maximum Monthly Amount: \$25,000

Tier: 5

Maximum Daily Count: 20

Maximum Daily Amount: \$25,000

Maximum Monthly Count: 50

Maximum Monthly Amount: \$100,000

Tier: 6

Maximum Daily Count: 20

Maximum Daily Amount: \$100,000

Maximum Monthly Count: 50

Maximum Monthly Amount: \$500,000

Business Remote Deposit Service Fees

Monthly Fee: \$49.95

Per Check Fee: \$0.05

You will receive a 90 day no obligation free trial of our Remote Deposit service.

Business Remote Deposit Delivery Schedule

Cutoff Time for Processing: 9:00 A.M., 12:00 P.M., 2:00 P.M. and 4:00 P.M. Central Time

Remote deposit items received by Security First Bank after the 4:00 P.M. cutoff time will be processed and credited to the account on the next business day.