

Monroe Federal Mobile Deposit Disclosure and Agreement

Effective: October 2015

TERMS OF AGREEMENT This Mobile Deposit Disclosure and Agreement (“Agreement”) covers your and our rights and responsibilities concerning the Mobile Deposit service offered to you by Monroe Federal Savings and Loan Assn. The words “we,” “us,” “our” and “the institution” mean Monroe Federal Savings and Loan Assn. The words “you” or “your” mean each and all those who use the Services. The word “Services” means the mobile deposit capture services offered by the institution. The word “account” means any one or more deposit accounts you have with the institution. The Services are designed to allow you to make deposits to your checking account by electronically transmitting a digital image of your paper checks to the institution or the institution’s designated processor. There is currently no charge for the Consumer Services. Original checks are converted to substitute checks as that term is defined in the Check Clearing for the 21st Century Act and Federal Reserve Board Regulation CC (“Check 21”), for deposit with the institution and for processing and presentment to a collecting or paying financial institution. Additional information regarding Check 21 may be found at <http://www.ffiec.gov/exam/check21/faq.htm>.

1. Acceptance of These Terms. Your use of the Services constitutes your acceptance of this Agreement. You agree to comply with the hardware and software requirements set forth herein. We reserve the right to change the terms and charges for the Services described in this Agreement and we may amend, modify, add to or delete from this Agreement from time to time. Your continued use of the Services will indicate your acceptance of the revised Agreement.

2. Eligible Items for Deposit. You agree to deposit only “checks” as that term is defined in Federal Reserve Regulation CC (“Regulation CC”). You agree that the image of the check transmitted to us shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code. For purposes of this Agreement, “check” (as defined in Regulation CC) means a negotiable demand draft that is drawn on:

- Or payable through or at an office of a bank or credit union;
- A Federal Reserve Bank or a Federal Home Loan bank;
- The Treasury of the United States;
- A state or local government that is not payable through or at a bank or credit union;
- A United States Postal Service money order or
- A Traveler’s check drawn on or payable through or at a bank or credit union.

For purposes of this Agreement, “item” (as defined in Article 4 of the Universal Commercial Code) means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a payment for ACH or wire transfers.

3. Capture Process. Upon receipt of the digital image, the institution’s processing agent shall perform an image quality assessment of the image and shall convert items meeting the institution’s required standards into substitute checks to facilitate the deposit and collection of such items. You agree that the manner in which items (e.g., substitute check, image exchange, ACH) are cleared or presented for payment shall be determined at the institution sole discretion. The institution reserves the right to select the clearing agents through which the institution clears items.

4. Rejection of Deposit. We are not liable for any service or late charges levied against you due to our rejection of any item. In all cases, you are responsible for any loss or overdraft plus any applicable fees to your account due to an item being returned.

5. Items Returned Unpaid. A written notice will be sent to you of transactions we are unable to process because of returned items. With respect to any item that you transmit to us for mobile deposit that we credit to your account, in the event such item is dishonored, you authorize us to debit the amount of such item from your account along with any returned check fees.

6. Funds Availability of Mobile Deposits and Business Days. Our policy is to make funds from your checks deposited via the Services available by 9:00 PM EST the same business day of deposit. For determining availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 4:00 PM EST 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 after 4:00PM EST on a day we are open, we will consider that the deposit was made on the next business day we are open.

You understand and agree that electronically transmitting a digital image of a check does not constitute receipt by the institution. Checks deposited via the Services are considered received by the institution when we notify you of receipt of the image electronically. You understand that, in the event you receive a notification from us confirming receipt of an image, such notification does not mean that the image contains no errors or that we are responsible for any information you transmit to us. We are not responsible for any image that we do not receive. Following receipt of the image, we will process the image by preparing a substitute check. Notwithstanding anything to the contrary, we reserve the right, within our sole and absolute discretion, to accept or reject any item for mobile deposit into your account and, in the event we reject an item for mobile deposit, you understand and agree that you must deposit the original item. You understand and agree that even if we do not initially reject an item you deposit through the Services, we may return the substitute check we created because, among other reasons, the paying bank deems the electronic image illegible. Our failure to reject such an item shall not limit your liability to us. You understand that any amount credited to your account for items deposited using the Services is a provisional credit and you agree to indemnify us against any loss we suffer because of our acceptance of the remotely deposited check.

7. Unavailability of Services. You understand and agree that the Services may at times be temporarily unavailable due to Bank system maintenance or technical difficulties including those of the Internet service provider and Internet software. In the event that the Services are interrupted or are otherwise unavailable, you acknowledge that you may deposit original checks to your Bank account in person at a branch, ATM or by U.S. mail. It is your sole responsibility to verify that items deposited using the Services have been received and accepted for deposit by us. You will receive electronic confirmation of items that are received for deposit.

8. Periodic Statement and Your Duty to Report Errors. You will designate a Bank account to credit with each item you deposit. Any mobile deposits made through the Services will be reflected on your monthly periodic statement. You understand and agree that you are required to immediately notify us of any suspected error regarding checks deposited through the Services by calling 937-667-8461, or visiting a branch location, no later than sixty (60) days after the date of the monthly periodic statement that includes any transaction you allege is erroneous. You are responsible for any errors that you fail to bring to our attention within such time period.

9. Hardware and Software Requirements. In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by the institution from time to time. You are solely responsible for electronically transmitting deposit items, accessing the Services from the institution and for maintaining your image capture equipment. You will be responsible for the payment of all telecommunications expenses associated with the Services. The institution shall not be responsible for providing or servicing any equipment for you. In order to use our Mobile Deposit product, you must download the Monroe Federal Mobile Banking App on any of the following approved mobile devices: Android, Android tablet, iPhone or iPad.

10. Check Requirements. Any image of a check that you transmit to us must accurately and legibly provide all of the information on the front and back of the check at the time of presentment to you by the drawer. Prior to transmitting a digital image of the original check, you must endorse the item on the back. For your security, we recommend including the restrictive endorsement immediately beneath your signature of "For Deposit only, Monroe Federal Mobile Banking". You agree to follow any and all other procedures and instructions for use of the Services as we may establish from time to time. The digital image of the check transmitted to us using the Services must accurately and legibly provide, among other things, the following information: (1) your endorsement; (2) the information identifying the drawer and the paying bank that is preprinted on the check, including complete and accurate MICR information and the signatures and (3) other information placed on the check prior to the time 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. The image quality for the check must meet the 4 standards for image quality established by the American National Standards Institute ("ANSI"), the Board of Governors of the Federal Reserve, including the requirements under federal Regulation CC, and any other regulatory agency, clearing house or association. In addition, for use of our Mobile Deposit product, images must be taken using an approved mobile device.

11. Check Retention and Destruction. Once your account has been credited with the Mobile Check Deposit, you agree to prominently mark the item as **“Electronically Presented”** or **“VOID”** to ensure that it is not represented for payment again. You agree to securely store each original check that you deposit using the Services for a reasonable period of time in order to verify settlement and credit or to balance periodic statements, but in no case beyond ninety (90) days after transmission to us, and shall properly destroy and dispose of such original checks after such time. During the retention period, you understand and agree that you must use a high degree of care to protect these original checks against security risks. These risks include, without limitation, theft or reproduction of the original checks for purposes of presentment for deposit of these original checks (i.e., after the original checks have already been presented for deposit via the Services) and unauthorized use of information derived from the original checks. You understand and agree that you are responsible for any loss caused by your failure to secure the original checks. You agree never to represent the check. When you destroy and dispose of the original checks pursuant to the requirements of this Agreement, you understand and agree that you must use a high degree of care when selecting and implementing destruction and disposal procedures. Among other things, these procedures must be designed to ensure that the original checks are not accessed by unauthorized persons during the destruction and disposal process and, once destroyed; the original checks are no longer readable or capable of being reconstructed.

12. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Services and to modify such limits from time to time. The institution’s current daily default limit is \$2,500. Weekly and Monthly limits are \$5,000 and \$10,000 respectively.

13. Compliance with Law. You agree to comply with all laws, statutes, regulations and ordinances pertaining to your use of the Services, as well as all laws relating to the banking transactions contemplated hereunder. You also agree to be bound by any clearinghouse rules or agreements, operating circulars, image exchange agreements, and other documents to which the institution is a party that govern the Services we provide. You promise to indemnify and hold the institution harmless from any damages, liabilities, costs, expenses (including attorneys’ fees) or other harm arising out of any violation thereof. This indemnity will survive termination of your account and this Agreement.

14. Accountholder’s Warranties. You make the following warranties and representations with respect to your use of the Services and each image of an original check you transmit to us using the Services:

- You have the authority to enter into this Agreement and perform your obligations hereunder.
- Each image of a check transmitted to us is a true and accurate rendition of the front and back of the original check, without any alteration, and the drawer of the check has no defense against payment of such check.
- The amount, the payee, signature(s) and endorsement(s) on the original check are legible, genuine and accurate.
- Other than the digital image of an original check that you remotely deposit through your use of the Services, there are no other duplicate images of such original check.

- Each original check was authorized by the drawer in the amount stated on the original check and to the payee stated on the original check.
- You have not knowingly failed to communicate any material information to us.
- You will retain possession of each original check deposited using the Services for the required retention period and neither you nor any other party will submit the original check for payment.
- You will not use the Services and/or your accounts for any illegal activity or transactions.
- Files and images transmitted to us will contain no viruses or any other disabling features that may have an adverse impact on our network, data or related systems.
- Each check that you submit to us for deposit will not be resubmitted in any format to the institution or to any other person for payment and will not cause the same drawer's account to be debited twice.
- Each check you submit for deposit is drawn in United States Dollars on a financial institution located in the United States, excluding its territories.

15. Unacceptable Deposits. You understand and agree that you are not permitted to deposit the following items using the Services:

- Any item drawn on your personal account at the institution
- Any item that is stamped with a "nonnegotiable" watermark
- Any item that contains evidence of alteration to the information on the check
- Any item issued by a financial institution in a foreign country
- Any item that is incomplete
- Any item that is "stale dated" (dated more than six (6) months prior to the date of deposit)
- Any item that is "post- dated" (dated after the date of deposit)
- Any third party check (i.e., any item that is made payable to another party and then endorsed to you by such party)
- Any item that has been re-deposited or returned such as "nonsufficient funds" or "refer to maker" or returned for any other reason
- Cash
- Savings Bonds

Deposits of this nature may result in the immediate termination of the Services.

16. Retention of Check Images. The institution will retain any substitute checks it generates for seven (7) years.

17. Ownership and License. You agree that we retain 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 would be contrary to the institution's business interest or to the institution's actual or potential economic disadvantage 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.

18. Disclaimer of Warranties. YOU UNDERSTAND AND AGREE THAT YOUR USE OF THE SERVICES IS AT YOUR RISK. YOU ALSO UNDERSTAND AND AGREE THAT THE SERVICES AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. YOU UNDERSTAND AND AGREE THAT WE DO NOT MAKE ANY WARRANTIES OF ANY KIND AS TO THE USE OF THE SERVICES, EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, WHETHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT THE SERVICES WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE. WE ALSO MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED FROM USING THE SERVICES WILL BE ACCURATE OR RELIABLE, OR THAT ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED. WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY YOUR INTERNET PROVIDER, ANY RELATED SOFTWARE OR THE INSTITUTION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE OR MAINTENANCE OF YOUR PERSONAL COMPUTER HARDWARE, SOFTWARE OR OTHER EQUIPMENT.

19. Limitation of Liability. YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM OR ATTRIBUTABLE TO THE USE OR THE INABILITY TO USE THE SERVICES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR ATTRIBUTABLE TO THE USE OF, INABILITY TO USE, THE TERMINATION OF THE USE OF THE SERVICES OR YOUR BREACH OF THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF. THE INSTITUTION'S LICENSORS OR SUPPLIERS WILL NOT BE SUBJECT TO ANY LIABILITY TO YOU IN CONNECTION WITH ANY MATTER.

20. Force Majeure. The institution shall not be responsible for liability, loss or damage of any kind resulting from any delay in the performance of or failure to perform its responsibilities hereunder due to

causes beyond the institution's reasonable control, including failures in communication or computer networks.

21. Termination of the Services. You may, by written request, terminate the Services provided for in this Agreement. We may terminate your use of the Services at any time upon written notice. In the event of termination of the Services, you will remain liable for all transactions performed on your account. Upon termination, you will immediately cease using the Services and you shall promptly remit all unpaid monies due under this Agreement, if any. The institution may immediately suspend or terminate your access to the Services in the event that the institution reasonably determines such suspension or termination is necessary in order to protect the Services or the institution from harm or compromise of integrity, security, reputation or operation or that you are in breach of this Agreement or are otherwise using the Services in a manner inconsistent with the terms of this Agreement or with applicable law.

22. Accountholder's Indemnification Obligation. You agree to indemnify, defend and hold harmless the institution and its directors, officers, employees, customers and agents (the "Indemnified Parties") from and against any and all losses, costs, expenses, fees (including, but not limited to, reasonable attorneys' fees and disbursements), claims, damages, liabilities and causes of actions of third parties resulting or arising from: (i) your failure to abide by or perform any obligation imposed upon you under this Agreement; (ii) the willful misconduct, fraud, criminal activity, intentional tort or negligence of you or any of your representatives involving use of the Services; (iii) the actions, omissions or commissions of you, your employees, consultants and/or agents relating to the Services and (iv) any transmission or instruction, whether or not authorized, acted upon by the institution in good faith. You shall be provided with prompt notice of any claims and given full authority and assistance (at your expense) for the defense of any such claims, provided that the institution may participate in such defense and settlement with counsel of the institution's own choosing at the institution's own expense. However, you shall have no authority to settle any claim against any Indemnified Party without the prior written consent of such Indemnified Party (which consent shall not be unreasonably withheld).

23. Email Address. You agree to notify the institution immediately if you change your email address.

24. Relationship to Other Disclosures. The information in this Agreement applies only to the Services described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of your account.

25. Governing Law. You understand and agree that this Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the internal laws of the State of Ohio, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. You also agree to submit to the personal jurisdiction of the courts of the State of Ohio.

26. Notices. Except as otherwise expressly provided herein, the institution shall not be required to act upon any notice or instruction received from you or any other person, or provide any notice or advice to you or any other person with respect to any matter.

Additional Terms and Conditions Applicable to Business Accounts

In addition to the above, the following terms and conditions apply to the use of the Services by a business customer. In this section, the words "Customer," "you" or "your" refer to the business.

Authority

Customer warrants and represents to the institution that it has full and complete authority to enter into this Agreement. We may accept oral or written instructions (including written instructions sent via facsimile or other electronic transmission) from any person who is described as an authorized representative or authorized person of Customer (collectively, "Authorized Person"). We may require further written confirmation of instructions given orally or by facsimile. Each Authorized Person is authorized to conduct any transaction within the scope of the Services. We may rely on any written notice containing signatures of an Authorized Person if we believe, in good faith, that the signature is genuine. Each Authorized Person may act alone notwithstanding any instruction to the institution that two or more Authorized Persons must act jointly. If we receive conflicting instructions from Authorized Persons, we may: (i) honor one or more of the instructions received; (ii) refuse to honor any of the instructions until the institution receives instructions to which all Authorized Persons agree or (iii) submit to a court all funds which are subject to the conflicting instructions (at which time the institution shall be automatically discharged from any obligations with respect to such funds).

No Litigation

There is no action, suit or proceeding pending or to Customer's knowledge threatened which, if decided adversely, would impair Customer's ability to carry on its business substantially as now conducted or which would adversely affect Customer's financial condition or operations.

Information

You represent and warrant that all information provided by you to us is true and complete and properly reflects the business, financial condition and principal partners, owners or officers of Customer.

Statement of Business Purpose

Customer agrees that Customer has represented to the institution that Customer is using the Services for business and/or commercial purposes and that the Services will only be used for business and/or commercial purposes. Customer agrees that it will not use the Services for any personal, family or household purposes.

Check Retention and Destruction

For the retention period described above in Section 11, original checks shall be maintained in a secure fashion under procedures similar to which consumers maintain other confidential or proprietary information. During the retention period, Customer shall take appropriate security measures to ensure

that only authorized personnel who are fully bondable and have passed a thorough screening shall have access to the original checks.

Service Charges

Details of monthly service charges for using these services have been sent to you through the online secure message center. By using the services, you agree to these charges. To discontinue services and stop service charges, please contact our customer service through secure messaging or call us at 937-667-8461.