

## MASTER ONLINE BANKING TERMS & CONDITIONS

### A. General Provisions.

1. Services Provided. These Master Online Banking Terms and Conditions (“Terms and Conditions”) govern all Business Online Banking services provided by The First National Bank in Sioux Falls (“Bank,” “we,” “us,” or “our”) to its business and commercial customers (each, a “Customer,” “you,” or “your”). Bank provides the following services through its Business Online Banking program: (a) funds transfer; (b) payments to Loan Accounts; (c) balance information and activity; (d) scheduled payments; (e) stop payment orders; (f) wire transfer; (g) mobile banking; (h) remote deposit; (i) alert services (as further defined and set forth in Addendum A to these Terms and Conditions); and (j) any other services offered by the Bank now or in the future (“Service” or “Services”).
2. Enrollment in Services. Enrollment in any individual Service requires the completion of a Master Online Banking Agreement signed by Bank and Customer (the “Agreement”). These Terms and Conditions shall apply to all Services requested by Customer or provided by Bank as set forth in the Business Solutions Master Authorization, attached as Schedule A of the Agreement.
3. Legal Compliance. Bank and Customer agree to comply with provisions of all applicable federal, state, county, or municipal laws, regulations, and ordinances. Customer agrees it shall not use any Service in a manner that is designed or has the effect of violating or evading any laws regarding currency controls, money laundering, bank secrecy, or unlawful internet gaming. Customer agrees to provide Bank with all the information that the Bank Secrecy Act and any other applicable law or regulation requires Bank to obtain in connection with any Service. If Customer fails to provide Bank with all the information required by law or requested by Bank in connection with any Service, Customer agrees that Bank is not obligated to provide such Service and is not liable for any losses or damages resulting from Bank’s failure to provide such Service.

### B. Definitions. All defined terms in the Agreement have the same meanings as provided therein. Unless otherwise defined in these Terms and Conditions, or in the Agreement, capitalized words or phrases shall have the meanings set forth in Chapters 3 and 4 of Title 57A of South Dakota’s Uniform Commercial Code. The following are additional defined terms for purposes of these Terms and Conditions:

1. “ANS X.9.13” means the standard promulgated by ANSI entitled “Specifications for Placement and Location of MICR Printing” for Original Checks or any amended or successor standard designated by the Federal Reserve Board.
2. “ANS X.9.100-140” means the image quality standard promulgated by ANSI entitled “Specifications for an Image Replacement Document – IRD” or any amended or successor standard designated by the Federal Reserve Bank.
3. “ANSI” means the American National Standards Institute.
4. “Approve Request” means the instructions of Customer to Bank ordering Bank to pay an Exception Check.
5. “Authorized Account” means the Account(s) of Customer, maintained at Bank, to which the positive pay services rendered by Bank will apply. Authorized Accounts are identified by account number.

6. "Available Funds" means funds on deposit in an Authorized Account and available for withdrawal pursuant to Regulation CC and the Bank's applicable funds availability schedule and policies.
7. "Beneficiary" means the person to be paid by the Beneficiary's Bank.
8. "Beneficiary's Bank" means the bank identified in a Payment Order in which an account of the Beneficiary is to be credited pursuant to the order or which otherwise is to make payment to the Beneficiary if the order does not provide for payment to an account.
9. "Biller" is the person or entity to which Customer wishes a bill payment to be directed or is the person or entity from which Customer receives electronic bills, as the case may be.
10. "Billing Account" is the checking account from which all Bill Pay Service fees will be automatically debited.
11. "Business Day" is every Monday through Friday, excluding Federal Reserve holidays.
12. "Check 21" means the Check Clearing for the 21st Century Act and its implementing regulation, Regulation CC (12 C.F.R. Part 229).
13. "Check Issue Report" means a record describing checks drawn by Customer on an Authorized Account, provided by the Customer to Bank through Bank's Business Online Banking software under Section F.1 of these Terms and Conditions.
14. "Collecting Bank" means any bank handling a check for forward collection, except the paying bank.
15. "Deposit Limit" means the maximum dollar amount of a daily deposit of collected and uncollected Original Checks and Substitute Checks as determined from time to time by Bank and communicated to Customer.
16. "Disapprove Request" means the instructions of Customer to Bank ordering Bank not to pay an Exception Check.
17. "Due Date" is the date reflected on Customer's Biller statement for which the payment is due; it is not the late date or grace period.
18. "Effective Entry Date" means the date included in any Entry as the date upon or after which such Entry is to be effective.
19. "Electronic Deposit" means a file that contains information regarding each Sufficient Image Copy to be transmitted by Customer to Bank in the same batch as the Electronic Deposit and that meets all of the requirements imposed from time to time by Bank in these Terms and Conditions.
20. "End User License Agreement" means the agreement governing use of the application software Customer must download to a Mobile Device in order to use Mobile Banking.
21. "Entry" has the meaning given in the Rules, except that it shall also include an "On-Us Entry."
22. "Exception Check" means a Presented Check that does not match a check included in a Check Issue Report or a Presented Check that has been flagged by Customer for Customer's review as an Item Stop or as a time dated check, signature required, or endorsement verification required.

23. "Exception Check Report" means a record describing Exception Checks which is provided by Bank to Customer under Section F.2 of these Terms and Conditions.
24. "Funds Transfer" means the series of transactions, beginning with the Originator's Payment Order, made for the purpose of making payment to the Beneficiary of the order. The term includes any Payment Order issued by the Originator's Bank or an Intermediary Bank intended to carry out the Originator's Payment Order. A Funds Transfer is completed by acceptance by the Beneficiary's Bank of a Payment Order for the benefit of the Beneficiary of the Originator's Payment Order. As used in these Terms and Conditions, the term "Funds Transfer" is deemed to include, without limitation, a transfer of funds by means of the Federal Reserve FEDWIRE, Clearing House Interbank Payments System ("CHIPS"), the Society for Worldwide Interbank Financial Telecommunications ("SWIFT"), TELEX, computer terminal, or other means. The term is also deemed to exclude any transaction covered by the Electronic Funds Transfer Act and Regulation E of the Federal Reserve Board.
25. "Image" means the electronic image of the front and back of an Item, all of the information from the Magnetic Ink Character Recognition ("MICR") line on the original Item, and any other required information, as specified by Bank, in the format Bank specifies.
26. "Image Replacement Document" or "IRD" means a substitute check, as defined in Check 21.
27. "Intermediary Bank" means a Receiving Bank other than the Originator's Bank or the Beneficiary's Bank.
28. "Item" is an original: check, cashier's check, official check, United States Treasury check, or any other payment instrument, drawn on a financial institution within the United States and payable in United States currency that is payable to you. Items are deemed to be "items" under the South Dakota Uniform Commercial Code and "checks" under Regulation CC.
29. "Magnetic Ink Character Recognition Line" or "MICR Line" mean the numbers, which may include the routing number, account number, check number, check amount and other information, that are printed near the bottom of a check in magnetic ink in accordance with the Standards.
30. "Mobile Device" means any cellular or mobile phone, tablet computer, or other device that satisfies the hardware and software requirements specified by Bank from time to time and is otherwise acceptable to Bank, including providing for the capture of Images of Items and for the transmission of such Images to Bank.
31. "On-Us Entry" means a debit or credit Entry to an account maintained at the Bank.
32. "Original Check" means the first paper check issued to or endorsed in favor of Customer with respect to a particular payment transaction which is payable on demand and drawn on or payable through or at an office of a United States financial institution, 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 or items payable to Customer drawn on Customer's own Account.
33. "Originator" means the Sender of the first Payment Order in a Funds Transfer.
34. "Originator's Bank" means (i) the Receiving Bank to which the Payment Order of the Originator is issued if the Originator is not a bank, or (ii) the Originator if the Originator is a bank.
35. "Payment Account" is the checking account from which bill payments will be debited.

36. "Payment Instruction" is the information provided by Customer to the Bank for a bill payment to be made to the Biller (such as, but not limited to, Biller name, Biller account number, and Scheduled Payment Date).
37. "Payment Order" means an instruction of a Sender to a Receiving Bank transmitted orally, electronically, or in writing to pay, or to cause another bank to pay, a fixed or determinable amount of money to a Beneficiary if: (1) The instruction does not state a condition to payment to the Beneficiary other than time of payment, (2) The Receiving Bank is to be reimbursed by debiting an account of, or otherwise receiving payment from, the Sender, and (3) The instruction is transmitted by the Sender directly to the Receiving Bank, or to an agent, funds-transfer system, or communication system for transmittal to the Receiving Bank.
38. "Presented Check" means a check drawn on an Authorized Account and presented to Bank for payment through the check collection system.
39. "Processing Equipment" means any hardware, software, applications, or devices required or provided by Bank to facilitate the provision of Remote Deposit Capture services.
40. "Processing Software" means that portion of the software developed, licensed and/or provided by Bank and its licensors for the operation of the Services.
41. "RDFI" means a receiving depository financial institution that is qualified to receive ACH entries.
42. "Receiving Bank" means the bank to which the Sender's instruction is addressed.
43. "Reconverting Bank" means (1) the bank that creates a Substitute Check; or (2) with respect to a Substitute Check that was created by a person that is not a bank, the first bank that transfers, presents, or returns that Substitute Check or, in lieu thereof, the first paper or electronic representation of that Substitute Check.
44. "Rules" means the Operating Rules & Guidelines of the National Automated Clearing House Association (NACHA), including any Appendices thereto, as the same may be amended from time to time.
45. "Scheduled Payment" is a payment that has been scheduled through the Bill Pay Service but has not begun processing.
46. "Scheduled Payment Date" is the day Customer wants its Biller to receive Customer's bill payment and is also the day Customer's Payment Account will be debited, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.
47. "Sender" means the person giving the instruction to the Receiving Bank.
48. "Standards" means the applicable standards set forth in Check 21 or as promulgated by ANSI for image quality and transmission protocols, including but not limited to, ANS X.9.100-140 and ANS X.9.13, (or any amendment or substitute for such standards as may be promulgated from time to time), whether such standard pertains to the MICR Line, the image quality of the Original Check, the placement of an image of the Original Check on the Substitute Check, or the manual or electronic transfer of a Sufficient Image Copy or other electronic representation of an Original Check or a Substitute Check, unless the Federal Reserve Bank, by rule or order determines that a different standard is to apply.

49. "Substitute Check" means a paper reproduction of an Original Check that (1) contains an image of the front and back of the Original Check; (2) bears a MICR line that, except as provided under the applicable Standard, contains all the information appearing on the MICR line of the Original Check at the time that the Original Check was issued and any additional information that was encoded on the Original Check's MICR line before an image of the Original Check was captured; (3) conforms in paper stock, dimension, and otherwise with ANS X9.100-140 (unless the Federal Reserve Bank by rule or order determines that a different standard applies); and (4) is suitable for automated processing in the same manner as the Original Check.
50. "Sufficient Copy" and "Copy" means (1) a sufficient copy is a copy of an Original Check that accurately represents all of the information on the front and back of the Original Check as of the time the Original Check was Truncated or is otherwise sufficient to determine whether or not a claim is valid. (2) A copy of an Original Check means any paper reproduction of an Original Check, including a paper printout of an electronic image of the Original Check, a photocopy of the Original Check, or a Substitute Check.
51. "Sufficient Image Copy" means an electronic image of an Original Check or Substitute Check that is capable of printing a Sufficient Copy of such Original Check or Substitute Check.
52. "Truncate" means to remove an Original Check from the forward collection or return process and send to a recipient, in lieu of such Original Check, a Substitute Check or, by agreement, information relating to the Original Check (including data taken from the MICR line of the Original Check or an electronic image of the Original Check), whether with or without the subsequent delivery of the Original Check.

**C. Mobile Business Banking. If Customer has enrolled in the Bank's mobile business banking services ("Mobile Banking"), this Section C of the Terms and Conditions will apply. To use Mobile Banking and any related Software, Customer must download Bank's mobile application (the "App") to a Mobile Device, agree to the End User License Agreement, and Customer's Account(s) must be enrolled in Business Online Banking.**

1. Description of Mobile Banking Services. Customer may use the App to (i) access Account information (e.g., to check balances and view transactions); (ii) set up alerts regarding Accounts (e.g., low balance alerts); (iii) transfer funds between eligible Accounts; (iv) view Item images; (v) deposit Items; and (vi) view Account statements. This list is not exhaustive, and Bank may offer additional or different Mobile Banking services in the future, all of which will be subject to these Terms and Conditions. All Mobile Banking services may not be available via Customer's Mobile Device. Customers approved by Bank to use mobile deposit as part of Mobile Banking will also be subject to the terms governing Mobile Deposit Services as set forth in Section C.9 below.
2. Enrollment. To use Mobile Banking, Customer will be required to confirm its Business Online Banking relationship with Bank and complete the Agreement, including Schedule A. The Agreement, including Schedule A, must designate the person(s) authorized to have access to the Account(s) via Mobile Banking and an authorized signer on the Account(s).
3. Mobile Banking Security Procedures. By using Mobile Banking, Customer agrees to comply with the security procedures set forth in this Section C. Customer is solely responsible for maintaining the security of any Mobile Device and for any unauthorized use of a Mobile Device to access Mobile Banking. Customer agrees to lock any Mobile Device used to access Mobile Banking with a password or number code whenever it is not in use so that sensitive information is not accessible by others.

Customer agrees to notify Bank immediately in the event Customer becomes aware of any loss, theft, or unauthorized use of a Mobile Device.

4. Instructions; Availability. Once Customer sends transaction instructions to Bank via Mobile Banking, Customer will not be able to reverse or “undo” those instructions. It is Customer’s responsibility to correctly enter all transaction information into a Mobile Device, including transaction amounts. Mobile Banking and any software Customer may obtain from Mobile Banking (“Software”) may not be available from time to time, including, without limitation, scheduled maintenance or interruption in Internet service.
5. Participating Carriers. Bank’s participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, and Verizon Wireless.
6. Privacy and User Information. Customer acknowledges that in connection with its use of Mobile Banking, Bank and its affiliates and service providers, including Fiserv, Inc. and its affiliates, may receive and may share with one another names, domain names, addresses, passwords, telephone and device numbers, the content of messages, data about Mobile Banking usage (such as session length, number of transactions and geolocation), data files and other data and information provided by Customer or from other sources in connection with Mobile Banking or the Software (collectively “User Information”). Bank and its affiliates and service providers will maintain reasonable safeguards to protect User Information from unauthorized disclosure or use, but reserve the right to use and disclose User Information as reasonably necessary to deliver Mobile Banking, perform analytics to improve the Mobile Banking service, and as otherwise permitted by applicable law, including compliance with court orders or lawful instructions from a government agency, to protect the personal safety of subscribers or the public, to defend claims, and as otherwise authorized by Customer. Bank and its affiliates and service providers also reserve the right to monitor use of Mobile Banking and the Software for purposes of verifying compliance with applicable law, these Terms and Conditions, and any applicable license, but disclaim any obligation to monitor, filter, or edit any content.
7. Restrictions on Use. Customer agrees not to use Mobile Banking or the Software in or for any illegal, fraudulent, unauthorized or improper manner or purpose. Mobile Banking is controlled, operated, and administered by Bank from Bank’s offices within the United States of America. Mobile Banking is not targeted toward users outside of the United States, and Customer agrees that any use of Mobile Banking shall occur within the United States. By using or continuing to use Mobile Banking, Customer represents and agrees that it is located in the United States. Customer further agrees that Mobile Banking and the Software will only be used in compliance with all applicable laws, rules and regulations, including all applicable state, federal, and international Internet, data, telecommunications, telemarketing, “spam,” and import/export laws and regulations, including the U.S. Export Administration Regulations. Without limiting the foregoing, Customer agrees that it will not use Mobile Banking or the Software to transmit or disseminate: (i) junk mail, spam, or unsolicited material to persons or entities that have not agreed to receive such material or to whom Customer does not otherwise have a legal right to send such material; (ii) material that infringes or violates any third party’s intellectual property rights, rights of publicity, privacy, or confidentiality, or the rights or legal obligations of any wireless service provider or any of its clients or subscribers; (iii) material or data, that is illegal, or material or data, as determined by Bank (in its sole discretion), that is harassing, coercive, defamatory, libelous, abusive, threatening, obscene, or otherwise objectionable, materials that are harmful to minors or excessive in quantity, or materials the transmission of which could diminish or harm the reputation of Bank or any third-party service provider involved in the provision of Mobile Banking; (iv) viruses, Trojan horses, worms, time bombs, cancelbots, or other computer programming routines that are intended to damage, detrimentally interfere with, surreptitiously intercept or expropriate any system, data, or personal information; (v) any material or information

that is false, misleading, or inaccurate; (vi) any material that would expose Bank, any third-party service provider involved in providing Mobile Banking, or any other third party to liability; or (vii) any signal or impulse that could cause electrical, magnetic, optical, or other technical harm to the equipment or facilities of the Bank, Fiserv or any third party. Customer agrees that it will not attempt to: (a) access any software or services for which Customer's use has not been authorized; or (b) use or attempt to use a third party's account; or (c) interfere in any manner with the provision of Mobile Banking or the Software, the security of Mobile Banking or the Software, or other customers of Mobile Banking or the Software; or (d) otherwise abuse Mobile Banking or the Software.

8. Applicable Agreements. You are responsible for complying with these Terms and Conditions and with all terms of any other agreement(s) governing your Account(s). If these Terms and Conditions conflict with those of the any other agreement(s) governing your Account(s), these Terms and Conditions supersede any conflicting terms only with respect to deposits made through Mobile Banking as set forth in Section C.9 below. Deposits made through other channels continue to be governed by any other agreement(s).
9. Mobile Deposit Services. This Section applies only to Customers who have been approved by the Bank to use the Bank's mobile deposit services ("Deposit Services"). Deposit Services are not available to all Customers, and Bank reserves the right to limit or prohibit any Customer's access to the Deposit Services. If there is any conflict between this Section and any provision set forth elsewhere in these Terms and Conditions or any other agreement between Customer and Bank, this Section will control.
  - (a) Mobile Deposit Service. Pursuant to these Terms and Conditions, Customer may use the Deposit Services to deposit Items to its Account by creating an Image of the original Item using a Mobile Device and transmitting that Image to Bank for review and deposit. Customer may transmit Images to Bank only from a Mobile Device located in the United States. Each Image must include the front and back of the original Item, and all of the following information must be clearly readable: amount of the Item, payee name, drawer signature, date, Item number, account number, routing and transit number, MICR line, and any endorsement or other information written on the Item. Customer agrees to follow any and all other procedures and instructions for use of the Deposit Services Bank may establish from time to time. Bank reserves the right to reject any Item transmitted through the Deposit Services, at Bank's discretion without incurring any liability to Customer. Bank may restrict and/or cancel, without prior notice, Customer's ability to use Deposit Services if Bank notices any suspicious activity or mismanagement of Accounts, including failure to promptly bring negative Account balances to a positive balance.
  - (b) Qualification. In order to enroll in the Deposit Services, Customer must maintain an Account that is eligible for the Deposit Services and be approved by the Bank. Bank reserves the right to limit or prohibit access to the Deposit Service, or to change the Deposit Service qualifications, at any time without prior notice.
  - (c) Conditions to Provision of the Deposit Service. As conditions to the Bank's provision of the Deposit Service, Customer must (a) maintain the Account in good standing, (b) subscribe to the Bank's Business Online Banking Services, and (c) comply with such restrictions on the Deposit Service as Bank may communicate to Customer from time to time.
  - (d) Hardware and Software Requirements; Unauthorized Use of Mobile Device. In order to use the Deposit Service, Customer must obtain and maintain, at its expense, an appropriate Mobile Device as specified by Bank. Customer agrees to transmit an Image to Bank using only a Mobile Device Bank has expressly authorized for use to capture and transmit Images. Bank may change

the list of approved Mobile Devices from time to time. Bank may reject Images that Customer transmits to us with an unapproved Mobile Device or by other means to which Bank has not given consent. Customer is solely responsible for the security of any Mobile Device. Customer agrees to implement and maintain specific internal security controls to protect any Mobile Device and Customer's sensitive information from unauthorized access or use. Bank may require that Customer implement and maintain additional specific security controls at Bank's discretion. Customer shall be solely responsible for any use of a Mobile Device to access Mobile Banking or transmit Images to Bank for deposit through the Deposit Service. Customer agrees to notify Bank immediately in the event Customer becomes aware of any loss, theft, or unauthorized use of the Deposit Services through a Mobile Device.

- (e) Expenses. Customer is responsible for all costs of using the Deposit Service and operating the Mobile Device, including, but not limited to telephone and internet service charges. Customer is responsible for maintaining the capacity and connectivity of any Mobile Device as required for use of the Deposit Service. Bank is not responsible for any third party software Customer may need to use the Deposit Service. Customer accepts any such software as is and agrees to be subject to the terms and conditions of the software agreement Customer enters into directly with the third party software provider at time of download and installation.
- (f) Original Items. Customer agrees to scan and deposit only original Items using the Deposit Service. If Customer sends an Item to Bank that was not captured from an original Item, Customer agrees to indemnify, defend and hold Bank harmless against any financial loss, costs (including but not limited to attorneys' fees, costs of litigation and consequential losses, if any), claim, harm or damage that Bank suffers as a result. In Bank's discretion, Bank may terminate Customer's access to the Deposit Service immediately if Customer sends an Item that was not captured from an original Item.
- (g) Prohibited Items. Customer agrees and warrants that it will not use the Deposit Service to transmit, scan, or deposit any of the following types of Items, which shall be considered prohibited Items:
  - (i) Any Item, the deposit of which is prohibited by Bank's then-current procedures pertaining to the Deposit Service or is in violation of any applicable law, regulation, or rule;
  - (ii) Any Item containing an alteration, or that Customer knows or suspects, or should suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Item is drawn;
  - (iii) Any Item previously converted to a substitute check, as defined in Regulation CC, or any Image Replacement Documents that are derived from, or that purport to be, substitute checks;
  - (iv) Any Item that is drawn on or is payable by or at a financial institution in a location that is outside of the contiguous United States, Alaska, Hawaii, the District of Columbia, Puerto Rico, or the U.S. Virgin Islands;
  - (v) Any Item that is payable jointly;
  - (vi) Any Item that has been previously submitted through the Deposit Service or through a mobile deposit or remote deposit capture service offered at any other financial institution;
  - (vii) Any Item that is dated more than six (6) months before the date of deposit;
  - (viii) Any "remotely created check," as that term is defined in Regulation CC, that is, any check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn;
  - (ix) Any Item not payable to Customer and endorsed by Customer;
  - (x) Any Item where the payer and payee are the same person;



- (xi) Any Item drawn on Customer's Account;
- (xii) Any Item made payable to "cash;"
- (xiii) Any Item that is incomplete or contains incomplete information;
- (xiv) Any Item not payable in United States currency;
- (xv) Any Item with an endorsement on the back other than that specified in these Terms and Conditions;
- (xvi) Any Item stamped "non-negotiable," "void," or any other word or phrase indicating that the Item is not valid; or
- (xvii) Traveler's checks.

Bank reserves the right to charge back to Customer's Account at any time, any Item that Bank subsequently determines was a prohibited Item or is otherwise subject to chargeback as described in the Deposit Agreement. Customer agrees that Bank is not liable for any loss, costs, or fees Customer may incur as a result of Bank's chargeback of a prohibited Item.

- (h) Image Quality. All Images transmitted to Bank using the Deposit Service must be legible and meet Bank's Image quality standards, as may be established and amended from time to time. Customer is responsible for the quality of any Image that it transmits. If Bank determines, in its sole discretion, that an Image Bank receives from Customer for deposit to Customer's Account is not of sufficient quality to satisfy Bank's Image quality standards, Bank may reject the Image without prior notice to Customer.
- (i) Endorsements. Customer agrees to endorse (or have properly endorsed) each Item submitted for deposit without any restrictions or conditions. Customer further agrees that all Items submitted for processing through the Deposit Services must contain the endorsement "For Mobile Deposit Only at The First National Bank in Sioux Falls" or such other endorsement as instructed by the Bank.
- (j) Processing Images. Customer authorizes Bank to process any Image that Customer sends Bank or convert an Image to an IRD. Once an Image transmitted to Bank is converted to an IRD, it will thereafter be deemed an Item. Customer authorizes Bank and any other bank to which an Image is sent to process the Image or IRD. Bank shall, in its sole discretion, determine whether Images are accepted for processing or rejected. Bank reserves the right to reject and to refuse to process any Image Customer sends to us through the Deposit Service for any reason or no reason, without prior notice or liability to Customer. Bank is not responsible for Images it does not receive or that are dropped during transmission.
- (k) Limits. At Bank's sole discretion, Bank may establish limits on the dollar amount and/or number of Items Customer may submit for deposit through the Deposit Service. If Customer attempts to initiate a deposit in excess of these limits, Bank may reject Customer's deposit. If Bank permits Customer to make a deposit in excess of these limits, such deposit will still be subject to these Terms and Conditions, and Bank will not be obligated to allow such a deposit at other times. Daily and per Item dollar limits may vary and are subject to change at the discretion of the Bank.
- (l) Deposit of Other Items; Deposits when Deposit Service Not Available. Customer agrees that it will not use the Deposit Service to deposit prohibited Items or anything not meeting the definition of an Item. If Customer uses the Deposit Service to transmit anything that is not an Item or is a prohibited Item, or if for any reason Bank is not able to recognize Customer's transmission as an Item or whether an Image is eligible for deposit, Bank may reject it without prior notice to Customer. Customer agrees to make those deposits through other channels that Bank offers, such as at a branch, ATM, or bank by mail. Customer further agrees to use such other channels when the Deposit Service may not be available.

- (m) Returned Items. In the event that any Item Customer transmits to Bank through the Deposit Service is dishonored, rejected, or returned for any reason, Customer authorizes Bank to debit the amount of the Item from Customer's Account, or offset the amount from any of Customer's other accounts with Bank, and assess appropriate fees per the Bank's fee schedule. Customer is solely responsible for any Item for which Customer has been given provisional credit. Customer acknowledges that all credits received for deposits made through the Deposit Service are provisional, subject to verification and final settlement. Customer acknowledges Bank may reverse such provisional credit if Bank does not receive final payment from the drawer's financial institution. Customer understands and agrees that returned deposit activity may result in the cancellation of Customer's access to the Deposit Service. Any Item that Bank returns to Customer will be returned in the form of an Image or an IRD, and Customer acknowledges that such Image or IRD may not be used to re-present the Item.
- (n) Customer Responsibility for Transmitted Items; Disposal of Items.
- (i) Customer agrees not to allow an Item to be deposited or presented for payment more than once, to the extent that it could result in the payment of the Item more than once. Customer agrees not to allow the transmission of an Image of an Item that has already been presented for payment to Bank or to any bank by any other means. Customer agrees not to allow transmission of an Image of an Item that has already been transmitted through the Deposit Service. If an Image of an Item has been transmitted to Bank or to any other bank, Customer agrees not to allow the Item to be subsequently presented by any other means. If any Item is presented or deposited more than once, whether by Image or by any other means, Bank may, at its discretion, reject it or return it and charge it against Customer's Account without prior notice to Customer. For any Image Customer transmits, Customer shall be responsible for preventing the transmission of another Image of the original Item or presentment of the original Item by any other means.
- (ii) After Customer transmits an Image, Customer agrees to retain the original Item for a minimum of thirty (30) calendar days from the date of the Image transmission or until the Item appears on Customer's Account statement, whichever is earlier (the "Retention Period"). During the Retention Period, Customer agrees it will promptly provide the original Item to Bank upon request. After the Retention Period, Customer agrees to mark the original Item "VOID" and to destroy the Item using a method of destruction that provides commercially reasonable assurance that any sensitive information contained in the Item is protected from unauthorized disclosure or use, and that renders the original Item incapable of further transmission, deposit, or presentment. Customer also agrees during the Retention Period to keep the original Item in a safe and secure location and to safeguard the information on the Item. Customer is responsible for any loss that is incurred if Customer fails to keep the Item safe and secure. To minimize Customer's damages, Customer should contact Bank as soon as it discovers that any original Item has been lost or stolen.
- (o) Errors; Cooperation with Investigations. Customer agrees to notify Bank of any suspected errors regarding Items deposited through the Deposit Service right away, and in no event later than 30 days after the applicable Account statement has been made available to Customer. Unless Customer notifies Bank within 30 days, the statement listing all deposits made through the Deposit Service shall be deemed correct, and Customer is prohibited from bringing a claim against Bank for such alleged error. Customer agrees to cooperate with Bank in the investigation of unusual transactions, poor quality transmissions, and resolution of customer claims, including by providing, upon request and without further cost, any originals or copies of Items in Customer's possession and Customer's records relating to Items and transmissions.

(p) Payment Processing.

- (i) Item Processing. At Bank's sole discretion, Bank may process the Images Customer sends to Bank electronically for collection and payment through other banks, or Bank may create IRDs that will be processed through traditional check processing methods. If Customer sends Bank Images that are incomplete, that fail to satisfy Bank's Image quality requirements, or otherwise do not allow Bank to meet the requirements of Check 21 or any image exchange agreement that would cover Bank's further electronic transmission of Images that Customer sends Bank, or Bank is otherwise unable to process Images that Customer sends Bank, Bank may charge the Images back to Customer's Account. Customer agrees to be bound by any clearinghouse agreements, operating circulars, and Image exchange agreements to which Bank is a party.
  - (ii) Transmission of Items. The Images Customer sends Bank are not considered received by Bank until Customer receives a message from Bank acknowledging that Bank has received Customer's deposit. However, the receipt confirmation that Bank sends does not mean that Customer's transmission is complete, error free, or will be accepted for deposit to Customer's Account. Bank may refuse to process any Image Customer sends to Bank for any reason or no reason as set forth in these Terms and Conditions. An Image may also be returned to Bank upon submission into the payment stream for a variety of reasons, including, but not limited to, poor Image quality, duplicate entry, fraud, forged items, etc. Bank reserves the right to charge a service fee for any Item that is presented more than once for collection.
  - (iii) Funds Availability. Customer agrees that Items transmitted using the Deposit Service are not subject to the funds availability requirements of Regulation CC. In general, if an Image Customer transmits through the Deposit Service is received and accepted before 3:00 p.m. Central Time on a Business Day that Bank is open, Bank considers that day to be the day of deposit. Otherwise, Bank will consider that the deposit was made on the next Business Day Bank is open. Funds from Items deposited through the Deposit Service will be made available pursuant to Bank's Funds Availability Policy, although there may be delays in the availability of the funds. Bank is not responsible for any loss, costs, or fees that Customer may incur as a result of any such delay.
  - (iv) Notices. Customer consents to the electronic delivery of notices sent in connection with the Deposit Services, including, but not limited to, hold and error in deposit notices. Notices will be sent to the email address for Customer on file with the Bank.
  - (v) Errors in Transmission. When using the Deposit Service, Customer may experience technical or other difficulties. Bank does not assume responsibility for any technical or other difficulties or any resulting damages that Customer may incur. By using the Deposit Service, Customer accepts the risk that an imaged Item may be intercepted or misdirected during transmission. Customer understands that, while Bank and its service providers have established certain security procedures to prevent unauthorized access to Customer's Account, there can be no assurance that the Deposit Service will be completely secure. Customer also understands that access to the Deposit Service will not be free from delays, malfunctions, or other inconveniences generally associated with the Internet. Customer agrees that Bank is not responsible for any such unauthorized access, delays or malfunctions, for the acts of third parties, or for any delay or interruption in the Deposit Service beyond Bank's control. Bank is not liable to Customer or others for any such intercepted or misdirected Images or information disclosed through such errors or other problems in the course of transmission of the Images.
- (q) Representations and Warranties. Customer makes the following representations and warranties to Bank: (a) Customer and any user it authorizes will use the Deposit Service only for lawful

purposes and in compliance with all applicable laws, rules, and regulations; and with these Terms and Conditions, Bank's reasonable instructions, rules, policies, specifications, and operating procedures; and will not violate any law of any country or the intellectual property rights of any third party; (b) Customer will use the Deposit Service to transmit and deposit Images of original Items only; (c) Customer will transmit only Images of Items acceptable for deposit through the Deposit Service and will handle Items as agreed herein; (d) Customer is a person authorized to enforce each Item or is authorized to obtain payment of each Item on behalf of a person entitled to enforce an Item; (e) Items have not been altered. Each Image transmitted to Bank is an accurate, authentic replica of an original Item, and Customer is not aware of any factor that may impair the collectability of the Item; (f) each Item bears all required and authorized endorsements. All signatures on the Item are authentic and authorized; (g) each Item has been endorsed as "For Mobile Deposit Only at The First National Bank in Sioux Falls" or as otherwise instructed by Bank; (h) Customer makes all transfer warranties set forth in SDCL § 57A-4-207 in addition to any other warranties made by Bank to any third party under any applicable law; (i) all Images accurately and legibly represent all of the information on the front and back of the Item; (j) Customer will not use the Deposit Service to transmit or deposit any Item, (1) payable to any person or entity other than Customer, (2) drawn on Customer's own Account, (3) which Customer knows or should know to be fraudulent, altered, unauthorized, or missing a necessary endorsement, (4) that is a substitute check or IRD, (5) that is drawn on an institution located outside of the United States, or (6) that is created by Customer purportedly on behalf of the maker, such as a remotely created check; (k) no subsequent transferee of the imaged Item, including but not limited to Bank, a depository bank, drawee, drawer, payee, or endorser will be asked to pay an original Item from which Customer has created an Image or to pay a duplicate of the Image or otherwise sustain a loss as a result of Customer's use of the Deposit Service; (l) Customer will not knowingly or unknowingly transmit or cause to be transmitted to Bank any computer virus or any malicious code; (m) Customer will not transmit a duplicate Image to Bank or any other person for collection or deposit. Customer will not re-deposit or re-present the original of any Item from which an Image has been created and sent to Bank for deposit. If any Item is presented or deposited more than once, whether by Image or by any other means, Bank may, at its discretion, reject it or return it and charge it against Customer's Account without prior notice to Customer; (n) Customer understands that acceptance of the End User License Agreement is required for use of the Deposit Service; and (o) Customer, if acting on behalf of an entity, is fully authorized to accept these Terms and Conditions.

10. Fingerprint Sign-in for Mobile Banking.

- (a) Fingerprint Login for Mobile Banking. Fingerprint Login is an optional fingerprint sign-in method for Mobile Banking that may be available for certain Android® Mobile Devices that have a built-in fingerprint scanner. To use Fingerprint Login, Customer will need to have an Authorized User first save a fingerprint on a Mobile Device. (For more help with fingerprint scanning, contact the manufacturer that supports the Mobile Device). Fingerprints are stored on the Mobile Device only, and Bank never sees or stores fingerprint information. Customer acknowledges that by enabling Fingerprint Login, anyone who has a fingerprint stored on the Mobile Device will have access to Customer's Account information within Mobile Banking. Bank reserves the right to suspend or disable the Fingerprint Login feature of Mobile Banking at any time. Fingerprint Login can only be associated with one Mobile Banking username at a time on a Mobile Device. If the Mobile Device does not recognize the Authorized User's fingerprint, Customer can sign in to Mobile Banking using its standard login credentials (e.g. password). To use Fingerprint Login for Mobile Banking on multiple devices, Customer will need to set up Fingerprint Login for each Mobile Device. Customer can enable or disable Fingerprint Login anytime from the "services" menu within Mobile Banking. Android® is a trademark of Google, Inc.

- (b) Touch ID™ for Mobile Banking. Touch ID is an optional fingerprint sign-in method for Mobile Banking that is currently available for most Apple® Mobile Devices that have a built-in fingerprint scanner. To use Touch ID, Customer will need to have an Authorized User save a fingerprint by going to "Settings > Touch ID & Passcode" on a Apple Mobile Device to complete the setup. (For more help with fingerprint scanning, contact Apple support at [apple.com/support](http://apple.com/support).) Fingerprints are stored on Mobile Devices only, and Bank never sees or stores fingerprint information. Customer acknowledges that by enabling Touch ID, anyone who has a fingerprint stored on the Mobile Device will have access to Customer's Account information within Mobile Banking. Bank reserves the right to suspend or disable the Touch ID feature of Mobile Banking at any time. Touch ID can only be associated with one Mobile Banking username at a time on a Mobile Device. If a Mobile Device doesn't recognize the Authorized User's fingerprint, Customer can sign in to Mobile Banking using its standard login credentials (i.e., password). To use Touch ID for Mobile Banking on multiple devices, Customer will need to set up Touch ID for each Mobile Device. Customer can enable or disable Touch ID anytime from the "services" menu within Mobile Banking. Apple® and Touch ID are trademarks of Apple, Inc. Currently, fingerprint sign-in for Mobile Banking is only available on compatible iOS Mobile Devices.
11. Alerts Terms and Conditions. This Section only applies to the Alerts feature (as defined below) within Mobile Banking. Alerts are not available to all Customers, and Bank reserves the right to limit or prohibit Customer's access to Alerts. If Alerts are not available to Customer, then this Section does not apply. To the extent there is any conflict between these Terms and Conditions and this Section with respect to Alerts, then this Section shall control.
12. Alerts. Customer's enrollment in Mobile Banking includes enrollment to receive transaction alerts and notifications ("Alerts"). Alerts are electronic notices from Bank that contain transactional information about Customer's Account(s). Alerts are provided within the following categories:
- (a) "Mandatory Alerts" provide Customer with important Account notifications, such as information about changes to Customer's Mobile Banking password, PIN, or login information. Customer does not have the option to suppress these Mandatory Alerts.
  - (b) "Account Alerts" provide Customer with notification of important Account activities or when certain changes are made to Customer's Mobile Banking Accounts. These Account Alerts are automatically activated. Although Customer may suppress these Account Alerts, Bank strongly recommends that Customer does not do so because they provide important information related to Customer's Mobile Banking Accounts.
  - (c) "Additional Alerts" must be activated by Customer to be enabled. These Additional Alerts can be accessed from the "More" menu within Mobile Banking.
13. Management of Alerts. Account Alerts and Additional Alerts must be managed and/or added online through Business Online Banking. Bank may add new Alerts from time to time, or cancel old Alerts. Bank usually notifies Customer when Bank cancels Alerts, but is not obligated to do so. Bank reserves the right to terminate its Alerts service at any time without prior notice to Customer.
14. Methods of Delivery. Bank may provide Alerts through one or more channels ("EndPoints"): (a) a Mobile Device, by text message or push notification; (b) an email account, by an e-mail message; or (c) Customer's Business Online Banking message in-box. Endpoint options may be changed at our discretion. Customer agrees to receive Alerts through these EndPoints, and it is Customer's responsibility to determine that each of the service providers for the EndPoints described in (a) and

(b) above supports the email, text message, and push notification Alerts provided through the Alerts service. Please be advised that data charges or rates may be imposed by Customer's EndPoint service provider. Alert frequency varies by Account and preferences. Customer agrees to provide Bank a valid Mobile Device number or email address so that Bank may send Customer Alerts. If Customer's email address or Mobile Device number changes, Customer is responsible for informing Bank of that change. Customer's Alerts will be updated to reflect the changes that Customer communicates to Bank with regard to Customer's primary and secondary email addresses or Mobile Device number.

15. Alerts via Text Message. To stop Alerts via text message, text "STOP" to 99588 at anytime. Alerts sent to Customer's primary email address will be unaffected by this action. To restore Alerts on Customer's Mobile Device, just visit the Alerts tab in Business Online Banking. For help with SMS text Alerts, text "HELP" to 99588. In case of questions please contact Business Solutions at (605) 335-5101 or (800) 339-1160. Bank's participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, Verizon Wireless, MetroPCS.
16. Limitations. Bank provides Alerts as a convenience to Customer for information purposes only. An Alert does not constitute a bank record for the deposit or credit Account to which it pertains. Bank strives to provide Alerts in a timely manner with accurate information. However, Customer acknowledges and agrees that your receipt of any Alerts may be delayed or prevented by factor(s) affecting Customer's Mobile Device service provider, internet service provider(s) and other factors outside the control of Bank. Bank neither guarantees the delivery nor the accuracy of the contents of each Alert. Customer agrees to not hold 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) Customer's reliance on or use of the information provided in an Alert for any purpose.
17. Alert Information. As Alerts delivered via SMS, email and push notifications are not encrypted, Bank will never include Customer's passcode or full Account number. Customer acknowledges and agrees that Alerts may not be encrypted and may include Customer's name and some information about Customer's Accounts, and anyone with access to Customer's Alerts will be able to view the contents of these messages.
18. Indemnification. In addition to the indemnifications and limitations on liability contained in the Agreement and elsewhere in these Terms and Conditions, Customer hereby indemnifies, defends, and holds Bank, its employees, agents, parent companies and affiliates harmless from and against any claim, expense, liability, cost, loss, or damage (including reasonable attorneys' fees and litigation expenses, regardless of whether a claim is actually filed) caused directly or indirectly by Customer's failure to comply with Section C of these Terms and Conditions or by Customer's breach of any representation or warranty contained herein. Without limiting the effect of the foregoing, Customer shall indemnify, defend, and hold Bank, it employees and agents, parent companies, and affiliates harmless from and against any and all claims, damages, losses, demands, liabilities, and expenses (including reasonable attorneys' fees and litigation expenses, whether or not a claim is filed) arising directly or indirectly from:
  - (a) Customer's failure to satisfy its obligations under these Terms and Conditions;
  - (b) Customer's breach of any warranties or representations in these Terms and Conditions;
  - (c) The dishonor or otherwise return unpaid by the drawer bank, or return by a clearing agent, for any reason, of any Item;

- (d) Customer's failure to maintain the security of any Mobile Device;
- (e) Bank's actions as a "Reconverting Bank" under Regulation CC (12 CFR 229.1 et seq.) in connection with the creation of a substitute check using an Image Customer submits through the Deposit Service;
- (f) Customer's negligent or intentional acts or omissions in utilizing the Deposit Service, including, but not limited to, (i) the submission of two or more Images from the same original Item, or (ii) errors made during the submission of Images through the Deposit Service;
- (g) Customer's violation of any applicable law, statute, or regulation relating to Customer's use of the Deposit Service; or
- (h) Bank's presentment of the imaged Item for payment.

19. **LIMITATION OF LIABILITY; DISCLAIMER OF WARRANTIES.** TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, THE BANK SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES RESULTING FROM THE INSTALLATION, MAINTENANCE, USE OR THE INABILITY TO USE THE APP OR ANY MOBILE BANKING SERVICES, INCURRED BY YOU OR ANY THIRD PARTY OR ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF THE APP OR ANY MOBILE BANKING SERVICE, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF BANK HAS BEEN INFORMED OF THE POSSIBILITY THEREOF. CUSTOMER ACKNOWLEDGES THAT THE APP AND ANY MOBILE BANKING SERVICE IS PROVIDED BY THE BANK ON AN "AS IS" AND "AS AVAILABLE" BASIS, AND THAT CUSTOMER USES IT AT ITS SOLE RISK. EXCEPT AS EXPRESSLY SET FORTH IN THESE TERMS AND CONDITIONS, THE BANK MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE APP OR ANY MOBILE BANKING SERVICE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT. BANK MAKES NO WARRANTY THAT: (i) THE APP OR ANY MOBILE BANKING SERVICE WILL MEET CUSTOMER'S REQUIREMENTS; (ii) THE APP OR ANY MOBILE BANKING SERVICE WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE; (iii) THE RESULTS OBTAINED USING THE APP OR ANY MOBILE BANKING SERVICE WILL BE ACCURATE OR RELIABLE; AND (iv) ANY ERRORS IN THE APP OR MOBILE BANKING SERVICE, SOFTWARE, OR TECHNOLOGY WILL BE CORRECTED.

**D. Remote Deposit Capture. If Customer has enrolled in the Bank's Remote Deposit Capture services ("RDC"), this Section D of the Terms and Conditions will apply.**

1. **Access.** The RDC activities performed by Customer shall enable Customer to convert Original Checks or Substitute Checks into electronic images for deposit into Customer's Account(s) with Bank. Customer may only convert a Substitute Check into an electronic image using the Processing Equipment and Processing Software when it has been received by Customer as a returned item which was previously deposited but not collected. Customer and Bank shall comply with this Section D of these Terms and Conditions, as well as other policies and procedures as reasonably required by the Bank, with respect to performance of the RDC activities.

2. Representations and Warranties. It is the intention of the parties that the warranties given by a depositor of a check to a bank under the UCC shall also apply to any image or electronic representation of an Original Check or a Substitute Check transferred by Customer to Bank as if such image or electronic representation were a paper check within the meaning of the UCC. Accordingly, except to the extent that any warranties deemed given under the UCC are expressly superseded by Check21, Customer understands that Customer shall be deemed to have given to Bank all of the warranties that Customer would have given under the UCC for the deposit of an Original Check by transferring to Bank: (i) any Substitute Check; (ii) an item purporting to be a Substitute Check, but that fails to meet the requirements of Check21, or; (iii) any electronic file that contains or purports to contain a Sufficient Image Copy of an Original Check or a Substitute Check. Without limiting the generality of the forgoing, at the time of each deposit by Customer using RDC, Customer shall be deemed to have given Bank the following representations and warranties: (i) the image or electronic representation is a digitized image of the front and back of the Original Check and accurately represents all of the information on the front and back of the Original Check as of the time Customer converted the check to an image or electronic representation; (ii) each image or electronic representation contains all endorsements applied by parties that previously handled the check in any form for forward collection or return; (iii) each image or electronic representation contains a record of all MICR Line information required for a Substitute Check and otherwise satisfies all of the requirements for Check 21, as it may be amended from time to time and Check 21 for the creation and/or transferring of a Substitute Check created from that image or electronic representation; (iv) no person (including Bank) will receive a transfer, presentment, or return of, or otherwise be charged for, the image or electronic representation, the Original Check, or a paper or electronic representation of the Original Check, such that the person will be asked to make payment based on an item it has already paid; and (v) all transfer and presentment warranties made under applicable law and the existing Account Agreements. The above warranties are deemed given to Bank and any person, company or bank to which Bank transfers, presents or returns any of the images included in such electronic file as a Sufficient Image Copy, or that purports to be a Sufficient Image Copy, or a Substitute Check created by Bank or any subsequent bank receiving a copy of such image. Customer understands the processes and procedures that it must follow relating to RDC and hereby authorizes Bank to periodically and without notice to audit Customer's processes, procedures, information technology, security and all other matters relating to RDC. As a condition to using and continuing to use RDC, Customer will comply with all mandates, controls, processes, procedures and technology recommended by Bank.
3. RDC Standards. It is the parties' intent that at all times the images captured and transmitted by Customer through RDC shall be sufficient for Bank or any subsequent Reconverting Bank, to print and distribute a Substitute Check in compliance with the Standards.
4. Bank Responsibilities.
  - (a) Bank will provide the required access ID and password to the Customer to provide to its Authorized Users in order to engage in RDC activity.
  - (b) Bank will accept for deposit and collection to the Customer's designated Account(s) the electronic images of Original Checks and Substitute Checks that are transmitted to Bank in compliance with these Terms and Conditions. Bank will retain such electronic images for a period of not less than seven (7) years after receipt. Electronic images shall be deemed received by Bank based upon time of receipt as well as successful receipt of the transmission of such images that are complete, usable, and adhere to the Standards. If electronic images are not complete, are not usable, or do not adhere to the Standards, the images may not be processed by Bank, in which event Customer's deposit will be adjusted and notification provided. Bank shall not be responsible for lost or incomplete transmissions. Notwithstanding anything in the



Agreement or these Terms and Conditions to the contrary, Bank shall have no obligation to accept any such electronic images if such acceptance would cause Customer's balance to exceed the Deposit Limit. Customer may request a change in the Deposit Limit upon notice to Bank, which may grant or deny the request in its sole discretion.

- (c) Bank will process the Customer's electronic images that are Sufficient Image Copies after Bank has received Customer's transmission of electronic images. Bank is not under any obligation to, and will not, examine any electronic images to verify data or dates. Bank will use commercially reasonable efforts to present the Sufficient Image Copies for collection under the Check 21 framework. Unless Bank notifies Customer otherwise, Bank will provide same day ledger credit to Customer's Deposit Account for all Sufficient Image Copies transmitted by Customer and received by Bank in accordance with the requirements of these Terms and Conditions and within the timelines established by Bank. However, Bank shall not be responsible for providing ledger credit on the same day a file is begun to be transmitted to Bank by Customer unless the file containing the electronic deposit is fully received by Bank prior to the depository cut-off time. The depository cut-off time is 5:30 p.m. Central Time. Files received after the cut-off time will be processed on the next Business Day.
- (d) If a Drawee Financial Institution returns an image representing an item to Bank unpaid, Bank will charge Customer's respective Deposit Account for such returned item and may either (i) return the item to Customer, or (ii) represent it to the Drawee Financial Institution before returning it to the Customer. Items may be returned as Image Exchange Items, rather than Substitute Checks. If a Drawee Financial Institution or other third party makes a claim against Bank or seeks recredit with respect to any electronic item, Bank may provisionally freeze or hold aside a like amount in the Customer's Deposit Account pending investigation and resolution of the claim.
- (e) If an emergency condition exists such that an immediate change is necessary to protect the integrity of the system or the confidentiality of either Customer or Bank information, then Bank may immediately make such change as it reasonably deems, in its sole discretion, to mitigate the effects of such emergency condition, and shall make commercially reasonable efforts within twenty-four (24) hours of making such change, to deliver an e-mail notice to Customer's Authorized User advising Customer of the change or directing Customer to the Bank website area devoted to RDC services for a notice of the change. Despite the lack of notice, the change is effective immediately and Customer shall be bound to comply with such procedures at that time.
- (f) If Bank desires to change its procedures and no such emergency condition exists as noted above, then Bank will send an e-mail or a letter by U.S. Mail to Customer no later than ten (10) Business Days prior to the effective date of the change, summarizing the change in Section D of these Terms and Conditions, together with the then-current copy of Section D of these Terms and Conditions, as well as the new Section D of these Terms and Conditions to be effective once the change takes place. Any use by Customer after the change is effective shall constitute its acceptance of the change and reaffirmation of its agreement to comply with the Terms and Conditions then in effect. In the event Customer does not agree to be bound by any such proposed amendment, Customer may terminate its use of RDC by giving ten (10) days' prior notice to Bank of its non-consent to such amendment as provided herein. Continued use of RDC after the effective date of such amendment shall be deemed to constitute Customer's consent thereto.
- (g) Bank reserves the right, in its sole discretion and at any time, to refuse the deposit or processing of any image or electronic representation, including if Bank has reason to believe that there has been a breach in the security of RDC, fraud involving Customer's Account or such image or

electronic representation, or any uncertainty as to the authorization or accuracy of an electronic submission, and to return same to Customer without prior notice. Bank may require that the Customer deposit any Original Check, instead of an image or electronic representation, for processing and collection.

- (h) Bank will provide installation and training support as reasonably required for Customer's implementation of RDC. Any onsite installation or training support shall be on such terms and conditions as the parties agree, including reimbursement for Bank's reasonable travel costs. Further, Bank will provide maintenance and support for RDC as reasonably necessary to permit Customer's Truncating of Original Checks and Substitute Checks through RDC. Such maintenance and support may include (i) corrections, work arounds and bug fixes, (ii) such modifications, enhancements and updates as Bank elects to make generally available to Customers without additional license fees, and (iii) telephone support to Customer during Bank's regular business hours.

5. Customer Responsibilities.

- (a) Customer will only use RDC to Truncate Original Checks or Substitute Checks payable to Customer that it has received in the ordinary course of business, to transmit images in a Bank acceptable file format of such Original Checks and Substitute Checks to Bank for credit to its Deposit Account maintained at Bank. Customer will apply its appropriate endorsement on each Original Check or Substitute Check. Customer may not perform RDC services for any third party, and any attempt to do so shall automatically terminate Customer's election to enroll in this RDC service. Customer may not use RDC to submit images or electronic representations of Original Checks or Substitute Checks payable in other than United States dollars. In the event RDC is not available for any reason, or if Bank has required Customer to deposit an Original Check, Customers shall be solely responsible for otherwise depositing the Original Check.
- (b) Customer will only perform RDC on Processing Equipment and using Processing Software provided or approved by Bank, provided such Processing Equipment and Processing Software is reasonably available to Bank. Bank will provide Customer scanner(s) subject to the fees set forth in the Bank's then current fee schedule. Customer shall return all Processing Equipment to Bank in good working condition upon any termination of the RDC service, ordinary wear and tear excepted. Customer will be responsible for procuring and ordering supplies for the Processing Equipment. Customer is solely responsible for acquiring, maintaining, and configuring all other required hardware, software, Internet connections, protocols, and other equipment and services required to create electronic items from paper checks and deliver such electronic items to Bank, in accordance with the Operating Systems Requirements set forth in these Terms and Conditions or other procedures as provided by Bank. Bank shall not be responsible for any costs, expenses or damages suffered by Customer as a result of any malfunction in the Processing Equipment or Processing Software.
- (c) Customer shall store and process all Original Checks and Substitute Checks in a manner reasonably likely to not demagnetize the MICR Line, including using care not to store or process checks near sources of measurable electro-magnetic radiation.
- (d) Files that contain electronic images for deposit that purport to come from an Authorized User of the Customer shall be presumed valid without the need for additional verification by Bank to have been lawfully transmitted by the Customer with full authorization. Accordingly, Bank recommends that Customer limit its Authorized Users to its trusted or bonded employees that routinely handle cash and deposit checks for Customer, plus a limited number of supervisory

personnel. Bank shall be fully protected in acting on and relying upon any transmission which Bank in good faith believes to have been presented by an Authorized User.

- (e) Customer will be responsible for maintaining security and control over all access IDs and passwords of Customer's Authorized Users, and shall use security for such items comparable to the security and control Customer would use for cash, or a mechanical check-signing machine, but in no event less than reasonable security and control in the circumstances. Customer shall promptly provide Bank with notice of any breach of the security and control of RDC or of the Processing Equipment, Processing Software, access IDs or passwords of Customer's Authorized Users, such notice to include a detailed report of the nature of the breach, the time of the breach or its discovery, any other information pertinent to the breach, and the specific steps Customer has taken to evaluate and remedy the breach.
- (f) Customer will transmit to Bank only Sufficient Image Copy of Original Checks or Substitute Checks for electronic deposit. Customer represents and warrants at the time of submitting each electronic file that no image transmitted by Customer to Bank using RDC represents an Original Check or Substitute Check which has already been collected.
- (g) Customer shall securely (e.g., under lock and key) retain each Original Check or Substitute Check that is Truncated through any RDC activity for a reasonable period of time as determined by Customer, but in no event fewer than thirty (30) Business Days from the date of deposit or such longer time as Bank may request from time to time with respect to any specific Original Check or Substitute Check. Customer shall be solely responsible for destroying such Original Checks and Substitute Checks, and any other items containing non-public information, in a secure and confidential manner, such as by cross-shredding or incineration. Customer understands that in all cases it is solely responsible for safeguarding all items it retains from destruction, alteration, or theft as required or permitted by the Account Agreements, these Terms and Conditions, or any other procedures reasonably required by Bank.
- (h) Customer will restrict physical access to each Original Check and each Substitute Check to those employees as would ordinarily have access to Customer's own cleared checks, or other personnel designated to specifically have access to such items pursuant to Customer's system of internal control.
- (i) The Original Checks and Substitute Checks so stored shall be maintained in deposit date order sequence for a period of not less than thirty (30) Business Days, and shall be made available to Bank promptly upon the request of Bank. In the absence of retaining the relevant Original Check or Substitute Check for the time period specified, Customer shall be solely responsible for the cost of any claim brought by the Drawer of the check for which resolution would reasonably require access to the relevant Original Check or Substitute Check.
- (j) Customer agrees that it will be able to retrieve and produce for Bank any Sufficient Image Copy (or, at the Customer's option, the Original Check) in question within seventy-two (72) hours of a written (including e-mail) request by Bank. In the absence of retaining the relevant Sufficient Image Copy for the time period specified, Customer shall be solely responsible for the cost of any claim brought by the Drawer of the check for which resolution would reasonably require access to the relevant Sufficient Image Copy, and shall indemnify Bank in accordance with the Agreement and these Terms and Conditions.
- (k) Prior to transmittal to Bank of any electronic file that contains an image of any Original Check or Substitute Check, Customer shall conduct an analysis of such images (and such analysis may be through the use of the Processing Software) that will evaluate the image quality, image placement

and image usability of each image transmitted, to insure that such image complies with the requirements of these Terms and Conditions and the Standards. In the event such analysis reveals that the image quality, image placement or image usability is below that required by these Terms and Conditions and the Standards, then Customer shall reprocess such Original Check or Substitute Check until a Sufficient Image Copy is produced in compliance with these Terms and Conditions and the Standards, or Customer may manually submit the item for deposit at Bank. Customer shall also manually prepare a total of the amount of the expected Electronic Deposit and shall compare that amount to the amount the Processing Software indicates is the total for the batch of images associated with that Electronic Deposit and systematically correct any discrepancies. Customer is solely responsible for verifying that deposits made through RDC have been credited to the appropriate Account.

- (l) Customer understands that Bank is relying on the truth and veracity of all electronic records transferred by Customer to Bank, and warrants that such records accurately reflect original documents that are, or at the time of the creation of the electronic records, were in the possession of Customer. Accordingly, Customer agrees that Bank may, upon one (1) Business Day notice, have its personnel, agents, or auditors and examiners appointed by Bank or a banking regulatory authority, inspect Customer's premises, the Processing Equipment, the Processing Software, and any of Customer's records pertaining to the matters set forth in these Terms and Conditions. Bank shall make commercially reasonable efforts to avoid significant disruption of Customer's business operations in conducting such audit or inspection, and shall comply with Customer's reasonable workplace rules that have been communicated to the audit or inspection personnel in writing. Customer understands that Bank is a federally insured financial institution that is subject to examination by the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC) or other banking agencies, and to the extent that any such examination request access to any audit or inspection report of Bank, or access to the records, Processing Equipment, Processing Software or other documents that are the subject of these Terms and Conditions, Customer shall fully cooperate with such examiners.
  - (m) Customer will establish reasonable precautions and use commercially reasonable efforts, no less rigorous than those Customer uses to protect its own confidential information to protect and maintain the confidentiality and security of the Processing Software. Without limiting the generality of the foregoing, Customer will use reasonable measures to protect the Processing Software from unauthorized copying, dissemination, disclosure or other unauthorized use. Customer acknowledges and agrees that all right, title and interest in and to the Processing Software, together with modifications, enhancements and derivative works, and all intellectual property rights such as copyrights, patents, and trade secrets, pertaining to the Processing Software (i) are and shall remain owned exclusively throughout the universe by Bank and its licensors, (ii) represent or contain valuable rights of Bank and its licensors, and (iii) are protected under United States patent, copyright, trademark and trade secret laws of general applicability. Customer will not at any time, either directly or indirectly, (a) put to issue the scope, validity or ownership of Bank's or its licensors' intellectual property rights in the Processing Software; (b) do any act which could reasonably be expected to impair the scope, validity or ownership of such intellectual property rights, or (c) assert any ownership rights to the Processing Software.
  - (n) Customer has become familiar with and understands the risks associated with RDC and accepts those risks.
6. Hardware and Software Requirements. RDC only works with certain hardware and software systems. Please contact your Bank representative for information regarding system requirements. Hardware and/or software may become outdated and unable to support RDC, and Customer will be required to upgrade from time to time.

7. Processing Equipment. Bank hereby provides to Customer the Processing Equipment as part of its provision of RDC. Customer acknowledges and agrees that the Processing Equipment belongs to and is the property of Bank. Upon the expiration or earlier termination of the Agreement or RDC service, Customer shall return the Processing Equipment to Bank in good operating condition, repair and appearance, ordinary wear and tear excepted.
8. Care, Use, Location. Customer shall (i) maintain the Processing Equipment in good operating condition, repair and appearance, and protect the same from deterioration other than normal wear and tear; (ii) use the Processing Equipment in the regular course of its business, within its normal operating capacity, without abuse, and comply with all laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the Processing Equipment; (iii) use the Processing Equipment solely for business purposes; (iv) not make any modification, alteration or addition to the Processing Equipment, without the written consent of Bank; (v) not so affix the Processing Equipment to realty as to change its nature to real property at any time regardless of how attached or installed; (vi) keep the Processing Equipment at the location agreed upon with Bank, and shall not remove the Processing Equipment from such location without the written consent of Bank, which shall not be unreasonably withheld; and (vii) keep the Processing Equipment free and clear of all liens and encumbrances.
9. Repair and Replacement. Bank shall provide for upgrades, repair or replacement of the Processing Equipment. In the event of an exchange of equipment, Bank shall bear the cost of all shipping, handling, and repair of promptly returned equipment, provided that: (a) the faulty equipment is returned to Bank within seven (7) calendar days of receipt of replacement equipment; (b) the equipment is returned without evidence of extraordinary use or abuse, acts of nature including electrical surges and liquid submersion or exposure; and (c) all warranty seals are intact. In the event that any of these conditions are not met, Customer will be immediately subject to billing for up to the replacement value of the replaced unit. In the event that Customer elects to have replacement equipment shipped from Bank's designated support entity in any form of freight other than "next working day standard delivery," Customer agrees to pay the full value of the premium freight RDC via the agreed upon method of rental payment collection.
10. Loss or Destruction of Processing Equipment. Customer shall bear the entire risk and be responsible for loss, theft, damage or destruction of the Processing Equipment from any cause whatsoever after taking possession of the Processing Equipment. Customer shall notify Bank immediately if the Processing Equipment is lost, destroyed, or stolen. If the Processing Equipment is only partially damaged, Bank may require that Customer have it repaired. If Bank determines it is not repairable, then the Processing Equipment will be considered destroyed. If the Processing Equipment is lost or destroyed, Customer shall be liable for the fair market value of replacement of the device.

**E. Bill Pay. If Customer has enrolled in the Bank's business bill pay services ("Bill Pay"), this Section E of the Terms and Conditions will apply. For purposes of this Section E, "Service" means only the bill payment service offered by The First National Bank in Sioux Falls through CheckFree Services Corporation.**

1. Payment Scheduling. The earliest possible Scheduled Payment Date for each Biller (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Biller. When scheduling payments you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at

least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period.

2. Service Guarantee. Due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to your Account. The Service will bear responsibility for any late payment related charges up to \$50.00 should a payment post after its Due Date as long as the payment was scheduled in accordance with the guidelines described under “Payment Scheduling” in these Terms and Conditions.
3. Payment Authorization and Payment Remittance. By enrolling in Bill Pay Service, Customer represents and warrants that each Authorized User provided in Schedule A to the Business Online Banking Agreement is acting with full authority for the Customer, and that each is duly authorized on behalf of Customer. Authorized Users will be designated on Schedule A as a Senior Administrator, Administrator, or Limited User of the Bill Pay services. A “Senior Administrator” has full access to Bill Pay service functionality, including the ability to (i) add, change, cancel, and approve payments (including automatic payments); (ii) manage bills, electronic bills, and payment accounts; and (iii) manage their own information and the information for Administrators and Limited Users. An “Administrator” has the authority to commit to expenditures and approve the disbursement of funds on behalf of Customer, including the ability to (i) add, change, cancel, and approve payments (including automatic payments); (ii) manage billers, electronic bills, and payment accounts; and (iii) manage their own information and the information for Limited Users. A “Limited User” has restricted access to the Bill Pay services, including the ability to (i) initiate payments that must be approved by an Administrator or Senior Administrator; (ii) manage billers, electronic bills, and payment accounts (but only when there are no pending payments that have already been approved); and (iii) manage their own information. By providing the Service with names and account information of Billers to whom you wish to direct payments, you authorize the Service to follow the Payment Instructions that it receives through the payment system. In order to process payments more efficiently and effectively, the Service may edit or alter payment data or data formats in accordance with Biller directives. When the Service receives a Payment Instruction, you authorize the Service to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. You also authorize the Service to credit your Payment Account for payments returned to the Service by the United States Postal Service or Biller, or payments remitted to you on behalf of another authorized user of the Service. The Service will use its best efforts to make all your payments properly. However, the Service shall incur no liability and any Service Guarantee shall be void if the Service is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances: (1) If, through no fault of the Service, your Payment Account does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of your overdraft Account; (2) the payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction; (3) you have not provided the Service with the correct Payment Account information, or the correct name, address, phone number, or account information for the Biller; and/or, (4) circumstances beyond the control of the Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances. Provided none of the foregoing exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Biller which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to your Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges.

4. Payment Methods. The Service reserves the right to select the method in which to remit funds on your behalf to your Biller. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a laser draft payment (funds remitted to the Biller are deducted from your Payment Account when the laser draft is presented to your financial institution for payment).
5. Payment Cancellation Requests. You may cancel or edit any Scheduled Payment (including recurring payments) by following the directions within the application. There is no charge for canceling or editing a Scheduled Payment. Once the Service has begun processing a payment it cannot be cancelled or edited, therefore a stop payment request must be submitted.
6. Stop Payment Requests. The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may also not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you desire to stop any payment that has already been processed, you must contact Business Solutions. Although the Service will make every effort to accommodate your request, the Service will have no liability for failing to do so. The Service may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.
7. Prohibited Payments. Payments to Billers outside of the United States or its territories are prohibited through the Service.
8. Exception Payments. Tax payments and court ordered payments may be scheduled through the Service, however such payments are discouraged and must be scheduled at your own risk. In no event shall the Service be liable for any claims or damages resulting from your scheduling of these types of payments. The Service Guarantee as it applies to any late payment related changes is void when these types of payments are scheduled and/or processed by the Service. The Service has no obligation to research or resolve any claim resulting from an exception payment. All research and resolution for any misapplied, mis-posted or misdirected payments will be the sole responsibility of you and not of the Service.
9. Bill Delivery and Presentment. This feature is for the presentment of electronic bills only, and it is your sole responsibility to contact your Billers directly if you do not receive your statements. In addition, if you elect to activate one of the Service's electronic bill options, you also agree to the following:
  - (a) The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes will need to be made by contacting the Biller directly. Additionally it is your responsibility to maintain all usernames and passwords for all electronic Biller sites. You also agree not to use someone else's information to gain unauthorized access to another person's bill. The Service may, at the request of the Biller, provide to the Biller your e-mail address, service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing you about Service and/or bill information.
  - (b) Upon activation of the electronic bill feature the Service may notify the Biller of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Biller to Biller and may take up to sixty (60) days, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Biller. While your electronic bill feature is being activated it is your responsibility to keep

your Accounts current. Each electronic Biller reserves the right to accept or deny your request to receive electronic bills.

- (c) Your activation of the electronic bill feature for a Biller shall be deemed by us to be your authorization for us to obtain bill data from the Biller on your behalf. For some Billers, you will be asked to provide us with your user name and password for that Biller. By providing us with such information, you authorize us to use the information to obtain your bill data.
- (d) The Service will use its best efforts to present all of your electronic bills promptly. In addition to notification within the Service, the Service may send an e-mail notification to the e-mail address listed for your Account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from Biller to Biller. You are responsible for ensuring timely payment of all bills.
- (e) The electronic Biller reserves the right to cancel the presentation of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days, depending on the billing cycle of each Biller. The Service will notify your electronic Biller(s) as to the change in status of your Account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.
- (f) You agree to hold the Service harmless should the Biller fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.
- (g) The Service is not responsible for the accuracy of your electronic bill(s). The Service is only responsible for presenting the information we receive from the Biller. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Biller directly.
- (h) These Terms and Conditions do not alter your liability or obligations that currently exist between you and your Billers.

10. Exclusions of Warranties. THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
11. Password and Security. You agree not to give or make available your password or other means to access your Account to any unauthorized individuals. You are responsible for all payments you authorize using the Service. If you permit other persons to use the Service or your password or other means to access your Account, you are responsible for any transactions they authorize. If you believe that your password or other means to access your Account has been lost or stolen or that someone may attempt to use the Service without your consent or has transferred money without your permission, you must notify Business Solutions at once by calling (605) 335-5101 during normal business hours.
12. Your Liability for Unauthorized Transfers. If you tell us within two (2) Business Days after you discover your password or other means to access your account has been lost or stolen, your liability is no more than \$50.00 should someone access your Account without your permission. If you do not



tell us within two (2) Business Days after you learn of such loss or theft, and we can prove that we could have prevented the unauthorized use of your password or other means to access your Account if you had told us, you could be liable for as much as \$500.00. If your monthly financial institution statement contains transfers that you did not authorize, you must tell us at once. If you do not tell us within sixty (60) days after the statement was sent to you, you may lose any amount transferred without your authorization after the sixty (60) days if we can prove that we could have stopped someone from taking the money had you told us in time. If a good reason (such as a long trip or a hospital stay) prevented you from telling us, we may extend the period.

13. Errors and Questions. In case of errors or questions about your transactions, you should as soon as possible notify us via one of the following:

Telephone us at (605) 335-5101 during normal business hours,  
Contact us by using the application's e-messaging feature; and/or,  
Write us at: Business Solutions  
The First National Bank in Sioux Falls  
100 South Phillips Avenue  
Sioux Falls SD 57104

If you think your statement is incorrect or you need more information about a Service transaction listed on the statement, we must hear from you no later than sixty (60) days after the first statement was sent to you on which the problem or error appears. You must: (1) tell us your name and Service account number; (2) describe the error or the transaction in question, and explain as clearly as possible why you believe it is an error or why you need more information; and (3) tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send your complaint in writing within ten (10) Business Days after your verbal notification. We will tell you the results of our investigation within ten (10) Business Days after we hear from you, and will correct any error promptly. However, if we require more time to confirm the nature of your complaint or question, we reserve the right to take up to forty-five (45) days to complete our investigation. If we decide to do this, we will provisionally credit your Payment Account within ten (10) Business Days for the amount you think is in error. If we ask you to submit your complaint or question in writing and we do not receive it within ten (10) Business Days, we may not provisionally credit your Payment Account. If it is determined there was no error we will mail you a written explanation within three (3) Business Days after completion of our investigation. You may ask for copies of documents used in our investigation. We may revoke any provisional credit provided to you if we find an error did not occur.

14. Disclosure of Account Information to Third Parties. It is our general policy to treat your Account information as confidential. However, we will disclose information to third parties about your Account or the transactions you make ONLY in the following situations: (1) where it is necessary for completing transactions; (2) where it is necessary for activating additional services; (3) in order to verify the existence and condition of your Account to a third party, such as a credit bureau or Biller; (4) to a consumer reporting agency for research purposes only; (5) in order to comply with a governmental agency or court orders; or, (6) if you give us your written permission.
15. Service Fees and Additional Charges. Any applicable fees will be charged regardless of whether the Service was used during the billing cycle. There may be a charge for additional transactions and other optional services. You agree to pay such charges and authorize the Service to deduct the calculated amount from your designated Billing Account for these amounts and any additional charges that may be incurred by you. Any financial fees associated with your standard deposit accounts will continue

to apply. You are responsible for any and all telephone access fees and/or Internet service fees that may be assessed by your telephone and/or Internet service provider.

16. Failed or Returned Transactions. In using the Service, you are requesting the Service to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction may not be completed. In some instances, you will receive a return notice from the Service. In each such case, you agree that: (1) you will reimburse the Service immediately upon demand the transaction amount that has been returned to the Service; (2) for any amount not reimbursed to the Service within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed; (3) you will reimburse the Service for any fees imposed by your financial institution as a result of the return; (4) you will reimburse the Service for any fees or costs it incurs in attempting to collect the amount of the return from you; and (5) the Service is authorized to report the facts concerning the return to any credit reporting agency.
17. Alterations and Amendments. These Terms and Conditions, applicable fees and service charges may be altered or amended by the Service from time to time. In such event, the Service shall provide notice to you. Any use of the Service after the Service provides you a notice of change will constitute your agreement to such change(s). Further, the Service may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, the Service reserves the right to terminate Bill Pay services as to all such prior versions of the applications, services, and/or related material and limit access to only the Service's more recent revisions and updates. In addition, as part of the Service, you agree to receive all legally required notifications via electronic means.
18. Address or Banking Changes. It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made either within the application or by contacting Business Solutions. Any changes in your Payment Account should also be made in accordance with the procedures outlined within the application's Help files. All changes made are effective immediately for scheduled and future payments paid from the updated Payment Account information. The Service is not responsible for any payment processing errors or fees incurred if you do not provide accurate Payment Account or contact information.
19. Service Termination, Cancellation, or Suspension. In the event you wish to cancel the Service, you may have the ability to do so through the product, or you may contact Business Solutions via one of the following: (1) telephone us at (605) 335-5101 during normal business hours; and/or (2) write us at: The First National Bank in Sioux Falls, Attn: Business Solutions, 100 South Phillips Avenue, Sioux Falls, SD 57104. Any payment(s) the Service has already processed before the requested cancellation date will be completed by the Service. All Scheduled Payments including recurring payments will not be processed once the Service is cancelled. The Service may terminate or suspend Service to you at any time. Neither termination nor suspension shall affect your liability or obligations under the Agreement or these Terms and Conditions.
20. Biller Limitation. The Service reserves the right to refuse to pay any Biller to whom you may direct a payment. The Service will notify you promptly if it decides to refuse to pay a Biller designated by you. This notification is not required if you attempt to make a prohibited payment or an exception payment under this Agreement.
21. Returned Payments. In using the Service, you understand that Billers and/or the United States Postal Service may return payments to the Service for various reasons such as, but not limited to, Biller's

forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. The Service will use its best efforts to research and correct the returned payment and return it to your Biller, or void the payment and credit your Payment Account. You may receive notification from the Service.

22. Information Authorization. Your enrollment in the Service may not be fulfilled if the Service cannot verify your identity or other necessary information. In order to verify ownership of the Payment Account(s) and/or Billing Account, the Service may issue offsetting debits and credits to the Payment Account(s) and/or Billing Account, and require confirmation of such from you. Through your enrollment in the Service, you agree that the Service reserves the right to request a review of your credit rating at its own expense through an authorized bureau. In addition, you agree that the Service reserves the right to obtain financial information regarding your account from a Biller or your financial institution (for example, to resolve payment posting problems or for verification).
23. Disputes. In the event of a dispute regarding the Service, you and the Service agree to resolve the dispute by looking to the Agreement and these Terms and Conditions. You agree that the Agreement and these Terms and Conditions are the complete and exclusive statement of the agreement between you and the Service which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Service relating to the subject matter of this Section E. If there is a conflict between what an employee of the Service or Business Solutions says and these Terms and Conditions, these Terms and Conditions will prevail.
24. Captions. The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.
25. Liability Limitation. THE FOREGOING SHALL CONSTITUTE THE SERVICE'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.

**F. Positive Pay. If Customer has enrolled in the Bank's business positive pay services ("Positive Pay"), this Section F of the Terms and Conditions will apply.**

1. Check Issue Report. Customer shall submit a Check Issue Report to Bank as provided below.
  - (a) Customer may create a Check Issue Report in an application that is compatible with Bank's Business Online Banking system. Customer shall upload a Check Issue Report to Bank's system on a daily basis on each day Customer issues checks on an Authorized Account. Customer shall upload the Check Issue Report prior to disbursing the issued checks. Failure to upload a Check Issue Report will result in all checks submitted during that period being labeled as Exception Checks. Customer may choose to enter items individually by accessing the Checks and Deposits section through Bank's Business Online Banking system.
  - (b) The Check Issue Report shall accurately state the exact amount and serial number of each check drawn on each Authorized Account.
  - (c) At the time Customer begins using Bank's Positive Pay services, Customer must provide to Bank an electronic file listing all of Customer's outstanding checks in an agreed upon form and format. Thereafter, Customer's Check Issue Report shall include all checks drawn on an Authorized Account since the last Check Issue Report was submitted. These Terms and Conditions do not

cover a check if the Bank has already cashed, negotiated or paid the check, or which Bank is already committed to honor or pay under applicable laws, regulations or rules governing such items.

- (d) The parties intend that the Check Issue Report transmitted to Bank constitutes the signature of Customer for purposes of determining whether a check is properly payable. By transmitting the Check Issue Report, Customer expressly warrants that all checks that match the information in the Check Issue Report are properly payable, except as otherwise set forth below. Customer specifically waives any claim under the provisions of SDCL 57A-3 and SDCL 57A-4 based on an allegation that the checks were not properly payable or duly authorized by Customer; provided that, since payee information is not analyzed in the Check Issue Report, this Section F.1(d) shall not apply and Customer shall not be deemed to have given an express warranty or to have waived any claims under SDCL 57A-3 or SDCL 57A-4 if a check is not properly payable due to an alteration of the payee on the check.

2. Payment of Presented Checks and Reporting of Exception Checks. Bank shall compare each Presented Check by serial number and amount against each Check Issue Report received from Customer by Bank.

- (a) Bank may pay and charge to the Authorized Account each Presented Check that matches by serial number and amount a check shown in any Check Issue Report. Once Bank pays a Presented Check that is not an Exception Check, it shall remove the information about that Presented Check from its Check Issue Report database.
- (b) Bank shall provide to Customer an Exception Check Report that indicates whether Bank has received any Exception Checks and, if so, specify the complete serial number and amount of any such Exception Check.
- (c) Bank shall make the Exception Check Report available to Customer via its Business Online Banking system by 7:30 a.m. Central Time on each Business Day.

3. Payment and Dishonor of Exception Checks. Bank will pay or return Exception Checks in accordance with the default option selected by Customer on Schedule A for each Authorized Account.

- (a) Disapprove Default. Where Customer has selected the disapprove default option to apply to an Authorized Account, Bank shall return to the depository bank any Exception Check drawn on that Account, unless the Customer instructs Bank to pay such check in a timely Approve Request.
  - (i) The Approve Request shall identify each Exception Check that Customer desires to be paid by the serial number and amount specified in the Exception Check Report and shall instruct Bank to pay such Exception Check.
  - (ii) The Approve Request shall be sent to Bank in a format compatible with Bank's Business Online Banking system by 12:30 p.m. Central Time of the day Customer receives the Exception Check Report.
  - (iii) Bank shall finally pay and charge to the Authorized Account any Exception Check that Customer directs Bank to pay as provided in Section F.3(a).
- (b) Approve Default. Where Customer has selected the approve default option to apply to an Authorized Account, Bank may finally pay and charge to the Authorized Account any Exception

Check provided that Customer has not objected to such payment in a timely Disapprove Request.

- (i) A Disapprove Request shall identify each Exception Check that Customer desires not to pay by the complete serial number and amount specified in the Exception Check Report and shall instruct Bank to return the Exception Check.
- (ii) The Disapprove Request shall be sent to Bank in a format compatible with Bank's Business Online Banking system by 12:30 p.m. Central Time of the day Customer receives the Exception Check Report.
- (iii) Bank shall return to the depository bank any Exception Check that Customer instructs Bank to return as provided in Section F.3(b).

4. Customer and Bank Communications.

- (a) Customer or Bank, at its discretion, may each submit to the other party a revision of any communication provided for under these Terms and Conditions. The revised communication must (i) be sent in its entirety and not in the form of a partial amendment to the communication originally sent, (ii) identify the original communication, and (iii) be sent in a format compatible with Bank's Business Online Banking system by 12:30 p.m. Central Time. A properly submitted revised communication serves to revoke the original communication.
- (b) Any communication purporting to have been sent by Customer, including any written communications or emails purportedly from Customer or communications sent via Customer's Business Online Banking Account, will be deemed to have been sent by and authorized by Customer, and Bank is authorized by Customer to act in reliance thereon, even if the communication is later determined to be unauthorized.
- (c) Bank shall use only Check Issue Reports that comply with these Terms and Conditions and have not been revoked in the preparation of Exception Check Reports.
- (d) Bank shall not be obligated to comply with any Approve Request or Disapprove Request received in a format not compatible with Bank's Business Online Banking system, or received after 12:30 p.m. Central Time, but may instead treat such Approve Request or Disapprove Request as though it had not been received and proceed according to the default option selected by Customer. Moreover, Customer acknowledges that Check Issue Reports, Approve Requests and Disapprove Requests must be provided in a reasonable format to interface with Bank computers. Customer further acknowledges that Bank may not be able to perform its duties under these Terms and Conditions in a timely manner due to circumstances beyond Bank's control, including (but not limited to) Acts of God (including fire, flood, earthquake, storm, tornado, or other natural disaster), legal constraint, interruption of transmission or communication facilities, equipment or software failure, war emergency conditions, or terrorist activities. IN THESE CIRCUMSTANCES, BANK SHALL NOT BE LIABLE TO CUSTOMER FOR ANY FAILURE TO ACT OR DELAY. BANK MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING ITS POSITIVE PAY SERVICES OR ITS COMPUTERS AND HEREBY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE.
- (e) Bank is not responsible for detecting any Customer error contained in any Check Issue Report or Approve Request or Disapprove Request sent by Customer to Bank.
- (f) From time to time a Bank representative may contact Customer by phone for instruction on an Exception Check. Customer authorizes Bank to contact the individuals designated on Schedule

A to the Agreement as Check Confirmation Representatives. In the event Bank cannot get a hold of an authorized Check Confirmation Representative for instruction on an Exception Check, Bank will refuse to pay the Exception Check. Customer may change authorized Check Confirmation Representatives by providing Bank advance written notice.

5. UCC Liability. To the extent applicable, the liability provisions of SDCL 57A-3 and SDCL 57A-4 shall govern this Section F of these Terms and Conditions, except as modified herein.
6. Wrongful Honor. It shall constitute wrongful honor by Bank if Bank pays an Exception Check listed in a timely Exception Check Report unless: (a) Customer issued an Approve Request, or (b) Customer selected the approve default option and did not issue a Disapprove Request. In the event that there is wrongful honor:
  - (a) Bank shall be liable to the Customer for the lesser of the amount of the wrongfully paid Exception Check or the Customer's actual damages resulting from the Bank's payment of the Exception Check. Bank will not under any circumstances be liable or obligated to Customer for attorneys' fees, litigation expenses, or consequential, special, incidental, indirect, or punitive damages.
  - (b) Bank retains the right to assert Customer's failure to exercise reasonable care under SDCL 57A-3-406 and SDCL 57A-4-406. Customer's duty to exercise reasonable care shall include, without limitation, Customer's duty to promptly examine any statement or check returned to Customer to determine whether payment was unauthorized.
  - (c) Bank retains the right to assert the defense that Customer has sustained no actual damages because Bank's honor of the Exception Check discharged for value an indebtedness of the Customer.
7. Wrongful Dishonor. Except as provided below, it shall constitute wrongful dishonor by Bank if Bank dishonors an Exception Check: (a) that Bank has been ordered to pay pursuant to an Approve Request, or (b) for which Customer has not issued a Disapprove Request under the approve default option.
  - (a) Bank's liability for wrongful dishonor of an Exception Check shall be limited to the damages for wrongful dishonor recoverable under SDCL 57A-3 and 57A-4, including damages proximately caused by the wrongful dishonor. Liability shall be limited to actual damages proved and may include damages for an arrest or prosecution of the Customer or other consequential damages.
  - (b) Notwithstanding Section F.7(a) above, Bank shall have no liability to Customer for wrongful dishonor when Bank, acting in good faith, returns an Exception Check: (i) that it reasonably believed was not properly payable; (ii) if there are insufficient Available Funds on deposit in the Authorized Account; or (iii) if required to do so by the service of legal process on Bank or the instructions of regulatory or government authorities or courts.
8. Rightful Payment and Dishonor. Except as provided in Section F.9 below:
  - (a) If Bank honors an Exception Check in accordance with the approve default option selected by Customer or in accordance with an Approve Request issued by Customer, such honor shall be rightful, and Customer waives any right it may have to assert that the Exception Check was not properly payable under SDCL 57A-4-401.

- (b) If Bank dishonors an Exception Check in accordance with the disapprove default option selected by Customer or in accordance with a Disapprove Request issued by Customer, the dishonor shall be rightful, and Customer waives any right it may have to assert that the dishonor was wrongful under SDCL 57A-4-402.
  - (c) Customer agrees that Bank exercises ordinary care whenever it rightfully pays or returns an Exception Check consistent with the provisions of these Terms and Conditions.
- 9. Faulty Information. Bank shall only be liable for losses proximately caused by its honor of a check that was not properly payable or its dishonor of a check that was properly payable if the honor or dishonor occurred because Bank, in accordance with the provisions of these Terms and Conditions (a) should have shown the check on an Exception Check Report but failed to do so; or (b) showed the check on an Exception Check Report but referenced the wrong serial number, unless Bank provided Customer with timely information that disclosed the error.
- 10. Assignment. Notwithstanding the provisions of the Agreement, to the extent that Customer suffers a loss under this Section, Bank may assign to Customer any claim that Bank would have against a depository or Collecting Bank to recover the loss, including any claim of breach of warranty under SDCL 57A- 4-207, 57A-4-208, and 57A-4-209.
- 11. ACH Entries. Bank's Positive Pay services will not stop the payment of checks that have been converted to ACH entries. ACH Rules prohibit the conversion of business checks as long as they meet the standards published in the ACH Rules. Customer's business check must include the check serial number in the auxiliary field of the MICR line to meet the ACH Rules. Customer is responsible for assuring that its checks meet these standards to utilize Bank's Positive Pay services. Customer shall notify Bank immediately if it reasonably believes a check has been improperly converted to an ACH entry.
- 12. Ordering Checks. If Customer orders or prints checks from any check-printing vendor other than Bank, Customer agrees to insure the MICR encoding ink is of high quality. Not using high quality MICR ink could result in a large number of inaccurate Exception Checks.
- 13. Termination. Either party may terminate Customer's enrollment in the Positive Pay service by ten (10) days written notice to the other party. Notwithstanding such termination, the Agreement and these Terms and Conditions shall remain in full force and effect as to all Presented Checks that have been presented to Bank prior to the date of termination. Upon termination, if requested by Customer, Bank will provide Customer (or its Authorized User) with the current version of the Check Issue Reports database in either electronic or paper form at Bank's discretion.
- 14. Approve Request or Disapprove Request Deadline. All Approve Requests and Disapprove Requests shall be submitted to Bank through Business Online Banking by no later than 12:30 p.m. on the day the Exception Check Report is made available to Customer.
- 15. Check Issue Report Submissions. Customer shall create and upload a Check Issue Report or enter items individually on each day on which Customer issues any checks written on the Authorized Account(s). Customer shall upload the Check Issue Report or enter items individually prior to disbursing the issued checks.
- 16. Check Confirmation Authorized Users. If necessary, Customer's Check Issue Reports, Approve Requests, and/or Disapprove Requests may be confirmed by one of the Authorized Users. Bank may receive email confirmations from Authorized Users or contact them at the telephone numbers set forth in Schedule A of the Agreement. FOR SECURITY REASONS, IT IS NOT

RECOMMENDED TO AUTHORIZE THE SAME USER TO BOTH UPLOAD A FILE AND BE ABLE TO WORK EXCEPTIONS. BANK SUGGESTS THAT CUSTOMER HAVE ONE AUTHORIZED USER UPLOAD A FILE AND ANOTHER AUTHORIZED USER WORK EXCEPTIONS. BANK ALSO SUGGESTS THAT THE AUTHORIZED USER(S) BE A SIGNER ON THE APPLICABLE ACCOUNT.

**G. Automated Clearing House (ACH). If Customer has enrolled in the Bank's automated clearing house services ("ACH"), this Section G of the Terms and Conditions will apply.**

1. Applicable Agreements. This Section G governs the Customer's use of ACH Origination. The Customer's access to and use of the Bank's online services shall be governed by the applicable Agreement and other Account Agreements, as amended from time to time, between the Customer and the Bank. In the event of conflict between this Section G and any other agreement with the Bank, this Section G shall prevail, unless otherwise provided herein.
2. Compliance with the Rules and Applicable Law. The Customer's rights and obligations with respect to any Entry are governed by the Rules, these Terms and Conditions and applicable law. The Customer acknowledges receipt of a copy of, or availability of, the Rules. The Rules may also be purchased by contacting your Regional Payments Association (RPA). The Customer agrees to be bound by the Rules. The Customer represents and warrants that it will comply with the Rules and all applicable laws, regulations, and regulatory requirements. The Customer further represents and warrants that it will not transmit any Entry or engage in any act or omission that violates, or causes Bank to violate, the Rules, the laws of the United States or other applicable laws, regulations or regulatory requirements, including, without limitation, regulations of the Office of Foreign Asset Control (OFAC), sanctions, or executive orders.
3. Transmittal of Entries. The Customer shall transmit only those types of Entries expressly permitted by Bank. The Customer shall transmit any and all debit or credit Entries to the Bank in accordance with the Rules and these Terms and Conditions. Customer hereby authorizes Bank to transmit any Entry received by Bank from Customer in accordance with the Rules and these Terms and Conditions and to credit or debit the amount of such Entry to the accounts specified by Customer. Subject to Section G.9, the Bank shall, in accordance with the Rules, process, transmit and settle for any Entry. The Bank shall have no obligation to transmit an Entry if the Customer fails to comply with the Rules or these Terms and Conditions. Bank shall rely on any and all information it receives from an Authorized User of the Customer, as identified on Schedule A of Customer's Business Online Banking Agreement, and any person the Bank, in good faith, reasonably believes to be acting on behalf of the Customer, whether or not such person was authorized by the Customer.
4. Physical and Electronic Security Procedures.
  - (a) The Customer shall comply with the following security procedures:
    - (i) Customer will use Bank's Business Online Banking to submit ACH files;
    - (ii) Entries transmitted by Customer shall be encrypted with at least 128-bit RC4 encryption or its equivalent;
    - (iii) Customer shall utilize an access ID, password, and security token provided by the Bank or such other identity verification requirements as the Bank shall require; and
    - (iv) When requested by Bank, Customer agrees to accept a call back verification to confirm ACH file totals. Files exceeding \$100,000.00 cumulative daily limit will require verification prior to processing.



Customer acknowledges and agrees that the security procedures described above are a commercially reasonable method of providing security against unauthorized Entries and that Bank shall be deemed to have acted in good faith so long as it complies with such security procedure requirements. The Customer acknowledges that the security procedures are for verification of authenticity and not to detect errors in the transmission or content of the Entry. No security practice or procedure for the detection of any such error has been agreed upon between the Bank and the Customer. If Customer uses any method other than the security procedures set forth herein to communicate, deliver, or transmit an Entry to the Bank, by doing so the Customer rejects the security procedures, chooses an alternative security procedure, agrees that such alternative security procedure(s) may not be found to be commercially reasonable, and agrees to be bound by any Entry, whether or not authorized, that was issued in the Customer's name and accepted by Bank using the alternative security procedure(s) selected by Customer.

- (b) If an Entry (or a request for cancellation or amendment of an Entry) received by Bank purports to have been transmitted or authorized by Customer, it will be deemed effective as Customer's Entry (or request). Customer shall be obligated to pay Bank the amount of such Entry even if the Entry (or request) was not authorized by Customer, provided the Bank accepted the Entry in compliance with the security procedures referred to herein with respect to such Entry, which compliance shall constitute good faith by Bank. If an Entry (or request for cancellation or amendment of an Entry) received by Bank was transmitted or authorized by Customer, Customer shall pay Bank the amount of the Entry, whether or not the Bank complied with the security procedures with respect to that Entry and whether or not that Entry was erroneous in any respect or that error would have been detected if Bank had complied with such procedure.
- (c) The Customer shall prevent and safeguard against unauthorized transmissions, disclosures, and access to the following (all of which are referred to herein as "Security-related Items"): information (including but not limited to security procedures, instructions, passwords, and user identifications), systems and equipment that interface with, connect to, or allow access to the Bank, its information, systems, and equipment. The Customer shall establish, maintain, and enforce physical and logical commercially reasonable security practices, techniques, and procedures with respect to access, storage, and maintenance to safeguard against unauthorized transmissions and unauthorized access to Security-related Items. Such practices, techniques, and procedures shall be no less than the security-related requirements set forth in these Terms and Conditions and in the Rules.
- (d) Without limiting the foregoing, the Customer warrants that no individual will be allowed to initiate transfers without proper supervision. If the Customer suspects, knows, believes, or has reason to believe that an unauthorized individual has transmitted or attempted to transmit one or more Entries or that the security procedures or other Security-related Items have otherwise been compromised, the Customer agrees to immediately notify the Bank and agrees that any Entry received by the Bank before or within a reasonable time after such notice to the Bank shall be treated as authorized by the Customer.
- (e) The Customer is solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in Customer's possession or under Customer's control. The Bank 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 an online system or any ACH Origination services. Any material downloaded or otherwise obtained is obtained at the Customer's own discretion and risk, and the Bank is not responsible for any damage to Customer's 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. The Customer is solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to the Customer's operating systems, and for protecting, securing, and backing up any data and information stored in or on the Customer's operating systems. The Bank is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on the Customer's operating systems or accessed through an Internet connection.

- (f) The Customer acknowledges and agrees that it is the Customer's responsibility to protect itself and to be vigilant against email fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" and "pharming"). The Customer agrees to educate Authorized User(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. The Customer acknowledges that Bank will never contact the Customer by email in order to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information. In the event the Customer receives an email or other electronic communication that the Customer believes, or has reason to believe, is fraudulent, the Customer agrees that neither Customer nor its Authorized User(s), agents, and employees shall respond to the email, provide any information to the email sender, click on any links in the email, or otherwise comply with any instructions in the email. The Customer agrees that the Bank is not responsible for any losses, injuries, or harm incurred by the Customer as a result of any electronic, email, or Internet fraud.
- (g) In the event of a breach of the Security Procedure, the Customer agrees to assist the Bank in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing the Bank or the Bank's agent access to Customer's hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedure. The Customer further agrees to provide to the Bank any analysis of such equipment, device, or software or any report of such analysis performed by the Customer, the Customer's agents, law enforcement agencies, or any other third party. Failure of the Customer to assist the Bank shall be an admission by the Customer that the breach of the Security Procedure was caused by a person who obtained access to transmitting facilities of the Customer or who obtained information facilitating the breach of the Security Procedure from the Customer and not from a source controlled by the Bank.

5. Processing, Transmittal and Settlement by Bank.

- (a) Except as provided in Section G.10, On-Us Entries and Section G.12, Rejection of Entries, Bank shall (i) process Entries received from Customer to conform with the file specifications set forth in the Rules, (ii) transmit such Entries as an Originating Depository Financial Institution or Gateway Operator, if applicable, to the Federal Reserve Bank of Minneapolis (the "ACH Operator") acting as an Automated Clearing House Operator, and (iii) settle for such Entries as provided in the Rules.
- (b) Bank shall transmit such Entries to the ACH Operator by the established deadlines of the ACH Operator provided (i) such Entries are received by Bank's related cut-off times on a Business Day, which are currently 4:00 p.m. Central for next day settlement and 12:00 p.m. Central for same day settlement, or as otherwise amended by the Bank in its sole discretion, and (ii) the ACH Operator is open for business on such Business Day. If any of the requirements of clause (i) or (ii) of this Section G.5(b) is not met, Bank shall use reasonable efforts to transmit such Entries to the ACH Operator by the next deposit deadline of the ACH Operator which is a Business Day and a day on which the ACH Operator is open for business.

6. Customer's Representations, Warranties, and Agreements. The Customer represents and warrants that each Entry provided to the Bank complies in all respects with the Rules and these Terms and Conditions. The Customer acknowledges and agrees that, pursuant to the Rules, the Bank makes certain warranties to the ACH Operator and other financial institutions and that such warranties are made in reliance on: (i) the representations and warranties of the Customer, including but not limited to, those contained in this Section, and (ii) Customer's agreement to be bound by and comply with the Rules and applicable law. With respect to each Entry initiated by Customer, the Customer warrants to Bank that:
- (i) Customer shall transmit Entries via PDD (Prearranged Payment and Deposit Entry), CCD (Corporate Credit and Debit Entry), CTX (Corporate Trade Exchange), or such other Entries as expressly permitted by Bank in writing;
  - (ii) No Entry is submitted by or through any Third Party Sender;
  - (iii) Each person shown as the Receiver on an Entry received by Bank from Customer has authorized the origination of such Entry and the crediting or debiting of its Account pursuant to the Rules, and the authorization has not been revoked;
  - (iv) Each credit Entry is timely and accurate;
  - (v) Each debit Entry is for a sum which, on the Settlement Date will be due and owing to the Customer from the party whose account will be debited, is for a sum specified by such party or is to correct a previously transmitted erroneous credit Entry;
  - (vi) No Entry has been reinitiated in violation of the Rules;
  - (vii) With respect to each Standard Entry Class Code, Customer shall comply with all requirements and warranties set forth in the Rules with respect to such Standard Entry Class Code, including, without limitation, those warranties specifically applicable to WEB Entries (if permitted), which include (i) Customer will employ a commercially reasonable method of authentication to verify the identity of the consumer; (ii) Customer will employ a commercially reasonable fraudulent transaction detection system to screen each Entry; (iii) Customer will use commercially reasonable procedures to verify that routing numbers are valid; and (iv) Customer will conduct an annual audit and share the audit with Bank to ensure that the financial information it obtains from Receivers protected by security practices and procedures that include, at a minimum, adequate levels of physical security to protect against theft, tampering, or damage, personnel and access controls to protect against unauthorized access and use, and network security to ensure secure capture, storage, and distribution;
  - (viii) With respect to same-day entries, Customer understands (i) Same-Day Entries cannot exceed \$100,000.00; (ii) Same-Day Entries will be identified by Bank when the Customer uses the current day's date in the Effective Entry Date field; (iii) transactions intended for same-day processing carrying a current day Effective Entry Date will need to meet the Bank's submission deadline for same-day processing; (iv) transactions submitted with a stale or invalid Effective Entry Date will be settled at the earliest opportunity which may not be the same day; and (v) properly submitted Same-Day Entries will settle the same day and will be charged the applicable same-day entry fee as provided on the Bank's then current published fee schedule;
  - (ix) The Customer has used commercially reasonable procedures to verify that all information contained in an Entry, including but not limited to routing numbers, is accurate and valid;

- (x) This ACH service has been duly and properly authorized by the Customer, the party executing the Agreement is properly authorized on behalf of the Customer to execute on its behalf, and the Agreement is enforceable by the Bank in accordance with its terms;
  - (xi) Customer will not enable or engage in any fraudulent activity in connection with the services contemplated herein. Customers will not engage in restricted transactions as defined by the Unlawful Internet Gambling Enforcement Act. Restricted transactions will include any Entry related to the business of betting or wagering from unlawful Internet Gambling. Unlawful Internet Gambling means to place, receive, or otherwise knowingly transmit a bet or wager by any means that involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable Federal or State law in the state or Tribal lands in which the bet or wager is initiated, received, or otherwise made.
7. Customer's Deposit Account. The Customer will maintain a Deposit Account with the Bank at all times it utilizes ACH services. The Customer shall at all times maintain a balance of available funds in the Deposit Account sufficient to cover the Customer's obligations under these Terms and Conditions. If balances in the Deposit Account are insufficient to cover the aggregate amount of Entries, the Bank shall have no obligation to transmit such Entries. The Customer authorizes the Bank to debit its Deposit Account, or any other Account maintained at the Bank, without prior notice or demand, for any amount it owes the Bank as a result of provision of ACH services. Customer also authorizes Bank to set off any amount owed to Bank against any amount Bank owes to Customer in order to obtain payment of Customer's obligations for ACH services. Customer's failure to maintain sufficient funds in the Deposit Account shall be a default under these Terms and Conditions, and Bank may immediately terminate the ACH services without notice.
  8. Prefunding. The Bank reserves the right to require the Customer to pre-fund an account maintained at the Bank prior to the Settlement Date of the ACH file. The Bank shall determine whether pre-funding is required based on criteria established from time to time by the Bank. The Bank will communicate directly to the Customer if pre-funding is required and, if requested by the Customer, will provide the Customer with an explanation of its pre-funding criteria. If it is determined that pre-funding is required, the Customer will provide funds sufficient to pay all Entries initiated by the Company prior to initiating any Entries for which pre-funding is required.
  9. Exposure Limits. The Customer shall comply with the exposure limits set by Bank. Such limits may be modified from time to time by Bank at its sole discretion with notice to the Customer. Bank may in its sole discretion reject any File that exceeds such exposure limits.
  10. On-Us Entries. Except as provided in Section G.12, Rejection of Entries, in the case of an Entry received for credit or debit to an account maintained with Bank (an "On-Us Entry"), Bank shall credit or debit the Receiver's account, as applicable, in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in clauses (i) and (ii) of Section G.5(b) are met. If either of those requirements is not met, Bank shall use reasonable efforts to credit or debit the Receiver's account, as applicable, in the amount of such Entry no later than the next Business Day following such Effective Entry Date.
  11. Cancellation or Amendment of an Entry. The Customer shall have no right to cancel or amend any Entry after its receipt by the Bank. However, the Bank shall use reasonable efforts to act on a request by the Customer to cancel or amend an Entry before transmitting it to the ACH Operator or crediting or debiting an On-Us Entry. Any such request shall comply with these Terms and Conditions, including the security procedures described herein. The Bank shall have no liability if it fails to affect the cancellation or amendment. Customer shall reimburse, indemnify, and hold

harmless the Bank for any expenses (including attorneys' fees), losses, or damages the Bank incurs in affecting or attempting to affect Customer's request for the cancellation or amendment of an Entry.

12. Rejection of Entries. The Bank may reject any Entry, including an On-Us Entry, that does not comply with the requirements of the Rules or these Terms and Conditions, specifically including the delivery location, format and content of Entries, acknowledgment of delivery, timing of delivery, Entries limitations, notices by Bank, types of ACH Services offered by Bank, and the security procedures provided herein, and may reject any Entry if the Customer is not otherwise in compliance with these Terms and Conditions or the Rules. The Bank shall notify the Customer of such rejection no later than the Business Day such Entry would otherwise have been transmitted by the Bank to the ACH Operator. Notices of rejection shall be effective when given. The Bank shall have no liability to Customer by reason of the rejection of any such Entry or the fact that such notice is not given at an earlier time than that provided for herein.
13. Provisional Credit Notice. In the case of a credit Entry, credit given by the RDFI for the Entry is provisional until the RDFI has received final settlement through a Federal Reserve Bank or has otherwise received payment. Customer specifically acknowledges that it has received notice of the Rule regarding provisional payment and of the fact that, if the RDFI does not receive such payment for the Entry, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's account, and Customer will not be considered to have paid the amount of the credit Entry to the Receiver.
14. Reversals. The Customer may reverse a File or Entry pursuant to the Rules. If the Customer reverses an Entry or File, the Customer shall indemnify the Bank against any claim, alleged claim, demand, loss, liability or expense (including attorney's fees) resulting directly or indirectly from such reversal. When a File is reversed by Customer due to duplication or error, Customer must (i) initiate the reversing File so that it can be transmitted to the RDFI(s) within five (5) Business Days after the Settlement Date for the Entries within the File; and (ii) transmit the reversing File (and any corresponding correcting File if reversing an erroneous File) within twenty-four (24) hours after the discovery of the error. When an Entry is reversed by Customer, Customer must (i) make a reasonable attempt to notify the Receiver of and the reason for the reversing Entry no later than the Settlement Date of the reversing Entry; and (ii) transmit the reversing Entry to the RDFI by midnight of the fifth (5<sup>th</sup>) Business Day following settlement of the erroneous Entry.
15. Notice of Returned Entries and Notifications of Change. The Bank shall notify the Customer of the receipt of a returned Entry or Notification of Change (NOC) from the ACH Operator no later than one (1) Business Day after the Business Day of such receipt. The Bank shall have no obligation to retransmit a returned Entry if the Bank complied with these Terms and Conditions with respect to the Entry. The Customer may request the Bank re-originate a returned entry by submitting an ACH Re-origination Request form bearing the signature of an authorized signer.
16. Entries Returned as Unauthorized. In the event that an Entry is returned as unauthorized or authorization revoked, the Customer will contact the necessary parties and resolve any dispute. During this process the Customer may ask the Bank to request from the RDFI a copy of the "Written Statement of Unauthorized Debit." Bank will make its best effort to obtain the form and will deliver it to the Customer when received. Customer agrees not to re-originate any transaction returned as unauthorized or as authorization revoked unless the Entry or Entry stream was properly reauthorized by the named Receiver.
17. Unauthorized Rate in Excess of 0.5%. In the event the rate of unauthorized transactions exceeds 0.5% based on the calculations noted in the Rules, the Customer will share the data requested by the Bank based on the Rules and will immediately begin the process of bringing the rate below 0.5%. An

unauthorized return rate greater than 0.5% may result in Customer being subject to fines or penalties suffered as a result of a Rules violation and possible discontinuation of Bank's ACH services. In the event Bank, in its sole discretion, elects to implement further policies or procedures to monitor, evaluate or correct Customer's unauthorized return rate, Customer agrees to fully cooperate with such efforts.

18. Administrative Returns. In the event the rate of administrative returns exceeds 3% for any two calendar months or 60-day period, the Customer will share any data requested by the Bank based on the Rules. If it is determined that remediation is necessary, the Customer will develop a plan to reduce that figure to under 3%.
19. Overall Return Rate. In the event that the overall rate of returns is greater than 15% for any two calendar months or 60-day period, the Customer will share any data requested by the Bank based on the Rules. If it is determined that remediation is necessary, the Customer will develop a plan to reduce that figure to under 15%.
20. Payment for Services. Customer shall pay Bank the amount of each Entry transmitted by Bank pursuant to this Agreement at such time on the Settlement Date or Effective Entry Date, as applicable to credit Entries or On-Us Entries respectively, as Bank, in its discretion, may determine. The Customer agrees to pay the Bank for ACH services in accordance with the schedule of charges set forth in the Bank's then current published fee schedule. The Bank may change its fees from time to time in its sole discretion upon notice to the Customer.
21. Financial Information and Audit. The Bank may from time to time request information from the Customer in order to evaluate a continuation of the service to be provided by the Bank hereunder and/or adjustment of any limits set by these Terms and Conditions. The Customer agrees to provide the requested financial information immediately upon request by the Bank, in the form required by the Bank. The Customer authorizes the Bank to investigate or reinvestigate at any time any information provided by Customer in connection with these Terms and Conditions or the ACH origination service. Upon request by the Bank, the Customer hereby authorizes the Bank, or any regulatory having jurisdiction over Bank, to enter the Customer's business premises for the purpose of reviewing Customer's operations as they relate to compliance with these Terms and Conditions and the Rules, and to examine and copy any books, records, and source documents related thereto. Customer specifically authorizes the Bank to perform an audit of the Customer's operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. The Customer hereby acknowledges and agrees that the Bank shall have the right to mandate specific internal controls at the Customer's location(s) and Customer shall comply with any such mandate. In addition, the Customer hereby agrees to allow the Bank to review available reports of independent audits performed at the Customer location(s) related to information technology, the ACH origination service and any associated operational processes. The Customer agrees that if requested by the Bank, the Customer will complete a self-assessment of Customer's operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by Bank in an audit of Customer. If the Customer refuses to provide the requested financial information, or if Bank concludes, in its sole discretion, that the risk of the Customer is unacceptable, if the Customer violates these Terms and Conditions or the Rules, or if the Customer refuses to give the Bank access to Customer's premises, Bank may terminate the ACH origination service according to the provisions hereof.
22. Limitation of Liability.
  - (a) In the performance of the ACH service, the Bank shall be entitled to rely solely on the information, representations, and warranties provided by the Customer pursuant to these Terms

and Conditions and shall not be responsible for the accuracy or completeness of such information. Except as otherwise specifically provided by law, the Bank shall be responsible only for performing the ACH services expressly provided for in these Terms and Conditions and shall be liable only in the event of loss due to its gross negligence or willful misconduct in performing those services. Bank shall not be responsible for Customer's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal or authorization of any Entry received from Customer) or those of any other person, including, without limitation, any Federal Reserve Financial Institution or other ACH Operator, Automated Clearing House or transmission or communications facility, any Receiver or RDFI (including without limitation the return of an Entry by such Receiver or RDFI), and no such person shall be deemed Bank's agent. Customer agrees to indemnify Bank against any loss, liability or expense (including attorney's fees and expenses) resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of Customer or any other person described in this Section.

- (b) Except as prohibited by law or regulation, Customer shall be responsible for any fines levied against Bank by NACHA, the ACH Rules Enforcement Panel, and any regulatory authority having jurisdiction over Bank arising from any violation or alleged violation of any applicable law, regulation, or the Rules resulting from Entries transmitted by Customer. Customer shall also be responsible for any fees imposed on Bank by NACHA for the return of an Entry initiated by Customer.
- (c) In no event shall the Bank have any liability for any consequential, special, incidental, punitive or indirect damages the Customer may incur or suffer in connection with the ACH service, whether or not the likelihood of such damages was known or contemplated by the Bank and regardless of the legal or equitable theory of liability the Customer may assert (including, without limitation, loss or damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to these Terms and Conditions).
- (d) Customer acknowledges and agrees that Bank's provision of ACH origination services hereunder may be interrupted from time to time and that Bank shall have no liability whatsoever as a result of such an interruption or delay. Without limiting the foregoing, the Bank shall not be liable for and 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 communications facilities, equipment or software error or malfunction, loss of power, war, acts of terror, emergency conditions or other conditions beyond the Bank's control. To the extent allowed by law, the Bank shall not be liable for and shall be excused from failing to transmit or any delay in transmitting an Entry (i) if such transmittal would result in the Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines; (ii) if, for any reason, the ACH Operator fails or declines to process an Entry; (iii) if, in the Bank's sole discretion, processing an Entry would violate or contribute to the violation of any present or future risk control program of the Federal Reserve or any Rule, law, regulation or regulatory requirement; or (iv) if processing an Entry, in the Bank's sole discretion, would cause it to engage in an unsafe and unsound practice. From time to time Bank may need to temporarily suspend processing of an Entry for greater scrutiny or verification, including, but not limited to, suspending processing to review for OFAC compliance in accordance with applicable OFAC guidance, and Bank shall be excused if this action causes delay in the settlement and/or availability of the transaction.

23. Credit and Debit Entries; Record Retention. The Customer shall obtain an authorization as required by the Rules from the person or entity whose account will be debited or credited as the result of a debit or credit Entry initiated by the Customer and the Customer shall retain such authorization in original form while it is in effect and the original or a copy of each authorization for two (2) years

after termination or revocation of such authorization as stated in the Rules. Upon request, the Customer shall furnish the original or a copy of the authorization to any affected Participating Depository Financial Institution, as defined in the Rules, within five (5) Business Days. Customer shall retain data on file adequate to permit remaking of Entries for three hundred sixty-five (365) days following the date of their transmittal by Bank as provided herein, and shall provide such data to Bank upon its request. Customer shall provide to Bank, as soon as possible, but no later than five (5) Business Days after receipt, by way of fax, email or telephone call, any notices received by Customer relating to its compliance or alleged failure to comply with any applicable Federal or state laws, regulations, or the Rules.

24. Rules Enforcement. In the event that a Report of Possible Rules Violation is filed on the Customer, the Customer will take appropriate steps to correct the problem within the time frames suggested by the Bank. In the event that a fine is levied against the Bank for a violation of the Rules, the Customer agrees to make the Bank whole for the value of the fine.
25. Inconsistency of Name and Account Number. The Customer acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry may be made on the basis of the account number even if it identifies a person different from the named Receiver, and the Customer's obligation to pay the amount of the Entry to the Bank is not excused in such circumstances.
26. Termination. Any termination of the ACH services shall not affect any of the Bank's rights and the Customer's obligations with respect to Entries initiated by the Customer prior to the effective time of such termination, or the payment of obligations of the Customer with respect to services performed by the Bank prior to the effective time of such termination, or any other obligations that shall survive termination.
27. Delivery Location. Entries will be delivered to the Bank by logging on to the Bank's website and accessing Business Online Banking. When mutually agreed upon, Customer and the Bank may utilize a secure email process established to exchange ACH files and information.
28. Format and Content of Entries. Customer will format ACH Files based on Appendix Three in the Rules.
29. Acknowledgement of Delivery. Bank will acknowledge receipt of a File by delivering an email notification to the File Verification Contact designated on Schedule A of the Agreement. The notification will advise if an error has occurred with the File. Bank may acknowledge receipt of a delivered File with a call back verification to Customer's designated File Verification Contact to confirm the File totals. Upon verification, the File will be released for processing. When mutually agreed upon, the Bank may accept receipt of an email from the email address of the File Verification Contact identified in Schedule A in lieu of a call back verification.
30. Timing of Delivery. Files must be received by the following deadlines:
  - (a) Next Day Settlement: 4:00 p.m. the day before settlement day. Customer may deliver Files up to 60 days before the requested settlement day. Bank will hold those Files and process them to settle on the Effective Entry Date listed by the Customer.
  - (b) Same Day Settlement: 12:00 p.m. the day of settlement. Customer may deliver Files up to 12:00 p.m. the day of the settlement.



31. Limits. The total dollar amount of Entries transmitted by Customer to Bank on any single day shall not exceed the Limits established by the Bank. Limits will be established, reviewed, and modified by Bank in its sole discretion.
32. Same Day Entries. Individual Entries of \$100,000 or less and all Standard Entry class codes, except for International ACH transactions, will be eligible for Same Day ACH.
33. Notice by Bank. If an Entry is rejected, returned or if a notification of change is received, the Bank shall notify the Customer's Authorized User(s) by telephone.

**H. Wire Transfer. If Customer has enrolled in the Bank's wire transfer services ("Wire Transfer"), this Section H of the Terms and Conditions will apply.**

1. Incoming Funds Transfer. If Bank receives a Funds Transfer for Customer's Account, Bank is entitled to post such funds to the account specified in the Payment Order. Bank is not liable in any event for posting an incoming transfer to an account number specified in the Payment Order. If Customer in writing requests telephone notification of incoming Funds Transfers, Bank will attempt to notify Customer within a reasonable time following the receipt of the funds, according to Bank's fee schedule as from time to time in effect. Bank, however, shall not be liable for failure to provide such notification.
2. Customer's Authorization for Outgoing Funds Transfers. Subject to Bank's normal cutoff hours and other deadlines, whether legal, regulatory, or contractual, Customer hereby authorizes and directs Bank, whenever Bank receives from Customer or any one of its Authorized User a Payment Order which on its face complies with the Security Procedure established by Section H.3 of these Terms and Conditions, and pursuant to the terms of the Agreements, to initiate a Funds Transfer from any of Customer's Accounts to any account maintained by Customer or any Beneficiary designated in the Payment Order, whether the Beneficiary's account is at Bank or at any other institution. This authorization extends to Customer's Payment Orders received by Bank only in the following forms: in person oral communication, oral communication by telephone, in writing with Customer's or Authorized User's original signature, via facsimile transmission or via electronic transmission. Except as otherwise provided by South Dakota law, Customer agrees to be bound by any Payment Order, whether or not authorized, issued in its name and accepted by Bank in good faith and in compliance with the Security Procedure and these Terms and Conditions. This Section H.2 applies to amendments and cancellations of Payment Orders to the same extent it applies to Payment Orders.
3. Security Procedure
  - (a) Generally. Bank and Customer agree to follow the Security Procedure set forth herein. Bank and Customer agree the Security Procedure is commercially reasonable, considering Customer's wishes expressed to Bank, Customer's circumstances known to Bank, including the size, type, and frequency of Payment Orders Customer normally issues to Bank, any alternative security procedures offered to Customer, and security procedures in general use by customers and banks similarly situated. Customer agrees the Security Procedure provides an appropriate level of security for the Payment Orders Customer contemplates issuing. Customer expressly represents it has not withheld any information or circumstances from Bank which would indicate a different security procedure is appropriate for these Terms and Conditions.
  - (b) Authorized Users. Customer represents and warrants to Bank that the persons named as Authorized Users in Schedule A of the Agreement are authorized by Customer to initiate Payment Orders to Bank for Funds Transfers and matters related to Funds Transfers with respect to Customer's Accounts.

- (c) Identity Verification. Bank agrees to verify the identity of each Authorized User when he or she gives instructions to Bank concerning Funds Transfers. Customer acknowledges it is responsible for maintaining the confidentiality of each PIN, password or other mode of verification. Customer agrees to establish and maintain internal procedures to ensure the confidentiality of each PIN, password, or other mode of verification and to ensure each Authorized User understands his or her responsibility to maintain such confidentiality. Customer agrees to ensure each Authorized User understands that any verification information is to be disclosed only to the proper Bank representative to handle Customer's Funds Transfers matters. Customer agrees to notify, and, pursuant to the previously mentioned internal procedures, to ensure each Authorized User notifies Bank immediately of any actual, or even suspected, breach of the confidentiality of any PIN, password, or other mode of verification. Customer agrees to notify Bank immediately of any Authorized User who for any reason ceases to be Customer's Authorized User so that Bank can cancel that person's authority to handle Funds Transfers. Bank reserves the right to change the modes of identity verification periodically and to notify Customer accordingly.
- (d) Telephonically Transmitted Payment Orders. Customer agrees it shall telephonically transmit Payment Orders only on Bank's recorded Wire Transfer Department telephone line. Customer hereby consents in full on behalf of itself, and represents and warrants to Bank that each Authorized User has consented to Bank's electronic recording of all instructions or confirmations given over such telephone line. Customer understands that Bank will retain the recordings made of conversations on that line for a period of ninety (90) days. Customer agrees to raise any questions about the authority, genuineness, correctness or other matters concerning any such transfer within that time.
- (e) Callback. Unless otherwise agreed by Customer and Bank, when an Authorized User calls by telephone to initiate a Funds Transfer, Bank will call the Authorized User back at the telephone number established by Customer to verify the Funds Transfer request. This callback shall also be recorded as described above. Bank has the option, but not the obligation, to request verification of Payment Orders from an Authorized User other than the Authorized User initiating the transfer.
4. Limitation on Amounts of Funds Transfers. Customer's total dollar amount of Payment Orders to Bank shall not exceed the balance available in Customer's Accounts or as otherwise limited by the Bank. Bank shall be under no obligation to take any Payment Order for an amount in excess of the collected balance in the Customer's Account(s) with Bank, as such balance may be determined in good faith by Bank.
5. Customer Responsibility to Verify Payment Orders. Promptly after receiving a Payment Order for a Funds Transfer, Bank will mail or deliver by facsimile or electronic transmission as requested by Customer to Customer, at such address as Customer may designate from time to time, a confirmation or statement setting forth the date and amount and other information on the transfer made pursuant to these Terms and Conditions. Customer agrees to examine each such confirmation or statement upon receipt and to notify Bank immediately of any perceived error or other problem about such transfer. If Customer fails to exercise ordinary care, on the basis of the information available to Customer, to discover an error in regard to a Payment Order and to advise Bank of the relevant facts within a reasonable time, not exceeding fifteen (15) days after Customer received notification from Bank, Customer shall be liable to Bank for the loss Bank incurs as a result of such failure, but such liability shall not exceed the amount of Customer's Payment Order. If, upon Customer questioning a transaction within the recording-retention period, the tape is replayed and indicates that Bank complied with these Terms and Conditions or that Customer did not comply,

Bank shall be relieved of all liability in connection with the transfer. This applies to amendments to Payment Orders to the same extent it applies to Payment Orders.

6. Bank Verification of Payment Orders. In its sole and unfettered discretion, Bank may seek verification or further authorization of any transfer request or related instruction. Bank may contact Customer by any reasonable means in order to obtain assurance of the authenticity or other correctness of a transfer request. However, Bank shall be under no obligation to do so in any case. If, upon attempting to obtain such verification, Bank is unable to do so, Bank may, in its sole and unfettered discretion, either make the transfer or decline to make the transfer or follow the instructions or decline to follow the instructions.
7. Inconsistent Name and Account Number Appearing In a Payment Order. Customer understands that the numbers assigned to banks and to the accounts of recipients of Funds Transfers are critical to the transfer function. If Customer describes the Beneficiary of a transfer, the Beneficiary's Bank, or any Intermediary Bank in a transfer request by name and number and makes an error in giving the number, the error may cause that payment to be made through the bank or to the account specified by the number, rather than through the named bank or to the named intended recipient. Customer agrees that it will be responsible for the amount of the transfer in any such case.
8. Cancellation or Amendment of Payment Orders. Customer may ask Bank to amend or cancel any transfer or related instruction, and Bank will use its best efforts to comply with such request if the request is made at a time and in a manner which gives Bank a reasonable opportunity to act on the request before it makes the Funds Transfer or carries out the instruction as Customer originally requested. A communication is not effective to cancel or amend a transfer or related instruction unless the communication is verified pursuant to the Security Procedure or Bank agrees to the cancellation or amendment. Bank will take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution which received such funds. In no event, however, shall Bank be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred before Bank received and had a reasonable time to act upon the request to amend or cancel the transfer request. If Bank, after execution of a Payment Order, agrees to cancellation or amendment or that it will attempt to cancel or amend a Payment Order, Customer, whether or not cancellation or amendment is effective, shall be liable to Bank for any loss and expenses, including reasonable attorney's fees, incurred by Bank as a result of the cancellation or amendment or attempted cancellation or amendment.
9. Fund Transfers in Foreign Currency. Customer agrees that if it requests a transfer of funds in a currency other than United States dollars, Bank will convert the currency at its current exchange rate for the specified foreign currency. If any funds are returned to Customer in a currency other than United States dollars, Bank will convert the returned foreign currency into United States dollars at its current exchange rate for such currency at the time of the return. If Bank does not have current exchange rates for the particular foreign currency involved, Bank will use its best efforts to convert the currency promptly through reasonable commercial and/or banking channels, and Customer shall pay Bank a reasonable fee for such services. In no event shall Bank be liable to Customer for any losses arising from currency conversions effected by Bank in good faith within a reasonable time after receiving funds for conversion.
10. Payment for Funds Transfers and Related Services. Customer shall pay Bank the amount of each Payment Order and all charges which Bank may impose for Funds Transfers and for following related instructions, according to Bank's fee schedule as modified from time to time. All of these amounts are to be paid on or before the date of transmission by Bank of the Funds Transfer and shall be charged against Customer's Account(s). Bank shall not be obligated to accept Customer's

Payment Order or initiate a Funds Transfer unless Customer's Account(s) contain a sufficient balance of available funds to cover all these amounts. Customer also shall reimburse Financial Institution for any out-of-pocket costs incurred by Bank in carrying out the instructions and requests given by Customer pursuant to these Terms and Conditions.

11. Rejection of Payment Orders. Bank has the right to reject any Payment Order for any reason, including without limitation the Customer's failure to maintain a sufficient account balance, if the Payment Order does not comply with the requirements of these Terms and Conditions, or if it contains a payment date more than five (5) Business Days after Bank receives the Payment Order, providing Bank acts in good faith with reasonable cause to reject the Payment Order. If Bank rejects any Payment Order, Bank shall endeavor to notify Customer by telephone, electronic transmission, or other reasonable means no later than the Business Day that such Payment Order would otherwise have been executed by Bank. Bank shall have no liability to Customer by reason of the rejection of any such Payment Order, or the fact that such notice was not given at an earlier time.
12. Limitation of Bank's Liability. In no event shall Bank be responsible for any loss, claim, liability, damage, or other amount arising in any way, directly or indirectly, from any error, failure, or delay in the performance of any of Bank's obligations under this Section H of these Terms and Conditions caused by natural disaster, fire, war, strike, civil unrest, error in or inoperability of communication equipment or lines, or any other circumstance beyond the reasonable control of Bank. Bank is liable only for its failure to perform its obligations under this Section H, and is not responsible for Customer's or its Authorized User's acts or omissions, including without limitation the amount, accuracy, timeliness of transmittal or due authorization of any Payment Orders received from Customer or its Authorized User(s), or those of any other person. No clearing house, financial institution, or other instrumentality used to effectuate Customer's Payment Orders shall be deemed Bank's agent. BANK SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE WHICH CUSTOMER SUFFERS IN CONNECTION WITH THIS SECTION H OR ANY TRANSFER MADE OR NOT MADE UNDER THIS AGREEMENT.
13. Bank Secrecy Act and Other Laws and Regulations. Customer agrees to provide Bank with all the information that the Bank Secrecy Act and any other applicable law or regulation requires Bank to obtain, including but not limited to the Originator's name, address, and tax identification number, the Beneficiary's name, address, and account number, the identity of the Beneficiary Bank, and any other information regarding any Funds Transfers which such laws or regulations may require from time to time. If Customer fails to provide Bank with all the information required by law regarding any Funds Transfer, Customer agrees that Bank is not obligated to complete such transfers and not liable for any losses or damages resulting from Bank's failure to execute such Funds Transfer.
14. Indemnification. Customer agrees to indemnify Bank against, and hold Bank harmless from, any and all losses, costs, damages, and expenses (including reasonable attorney's fees and costs of investigation, at trial and on appeal) arising directly or indirectly from, or relating in any manner to, any actions taken by Bank which were reasonably believed by Bank to be taken pursuant to this Section H, including, but not limited to, actions taken or omitted by Bank to amend or cancel any Funds Transfer instructions or any decision by Bank to effect or not to effect a transfer as provided in this Section H, or any other action taken or omitted by Bank in good faith pursuant to its responsibilities under this Section H.
15. Additional Governing Law. In addition to the applicable federal and state law governing the Agreement, this Section H shall also be governed by (i) all applicable operating circulars of any Federal Reserve Bank which may handle any transaction that is the subject of this Section H; (ii) to the extent allowed by federal law, the operating rules and other governing documents of SWIFT,

NACHA, or any other funds transfer or advice service or facilitator, and (iii) the laws of any foreign nation having jurisdiction over the transfer (or any segment thereof, to the extent of that segment only).

16. Termination. Any Payment Orders received by Bank prior to termination of the Wire Transfer services shall continue to be governed by the Agreement and this Section H. Bank shall reject any Payment Orders received by Bank after termination of the Agreement or the Wire Transfer services.

#### **I. Miscellaneous Provisions.**

1. Hours. Bank will only process transactions and update Accounts on Business Days. Bank's Business Days are Monday through Friday, excluding any banking holiday. Bank will provide customer support to assist with Business Online Banking services during normal business hours of 8:00 a.m. to 5:00 p.m. Central Time during all Business Days. Bank can be contacted as provided below. Wire transfers initiated after 2:00 p.m. Central Time or on a day when Bank is not open for business shall be treated as if made on the next Business Day. Payments made on Loan Accounts and Funds Transfer Requests from, between or among the Accounts, made after 6:00 p.m. Central Time, or on a day when Bank is not open for business, will be treated as if made on the next day when Bank is open for business. Bank may establish additional cut-off times and may change any cut-off time upon prior notice to Customer.
2. Customer Records; Data Ownership; Response to Data Security Breach; Responsibility for Loss. These Terms and Conditions will not relieve the Customer of any obligation imposed by law, contract, or otherwise regarding the maintenance of records or from employing adequate audit, accounting, and review practices. Customer shall retain, and upon Bank's request provide, all information necessary to remake or reconstruct any deposit, transmission file, or entry for at least thirty (30) Business Days following receipt by Bank of the deposit, transmission file, entry or other order affecting any of the Customer's Accounts. Bank will retain records in the ordinary course of business, which are presumed to be accurate reflections of Customer's instructions to Bank unless clearly shown to be erroneous. All data provided by Customer to Bank, and all data produced, compiled, or otherwise provided by Bank to Customer is the sole and exclusive property of the Customer and copies thereof shall be provided to Customer at Customer's request. Customer has the sole responsibility for security and protection of its data. In the event of a security breach incident involving any potential or actual unauthorized access or acquisition of Customer data (i.e. computer hacking, virus attack, theft, or loss of equipment), it is Customer's sole responsibility to determine whether Customer has any obligation under applicable law to notify potentially affected individuals whose sensitive personally identifiable information may have been compromised by the security breach incident. Customer is solely responsible for any and all costs of complying with required data breach notifications to individuals, credit bureaus, and/or governmental entities as required by law, as well as any and all costs for credit report monitoring or fraud monitoring associated with such security breach incident. If, despite Customer's efforts, Customer suffers any damage or loss as a result of any unauthorized access or data security breach, and regardless of whether such unauthorized access or breach results from the activities of Customer's employees, agents, subcontractors, or any affiliated third party, any such loss or damage shall be the sole responsibility of Customer.
3. Survival. Notwithstanding anything contained in these Terms and Conditions to the contrary, any provision of these Terms and Conditions that by its very nature or context is intended to survive any termination, cancellation, or expiration thereof, shall so survive termination of the Agreement or these Terms and Conditions.

4. Force Majeure. Neither party shall be liable for delays in its performance under these Terms and Conditions due to causes beyond its reasonable control, including acts of God, fire, war, riots, strikes, or inability to obtain labor or materials on time, but force majeure shall not excuse the failure to pay fees due hereunder.
5. Bank's Use of Third Parties. Bank may, in its sole discretion, elect to provide any existing or future Services through a third party or third party networks. Bank may also, in its sole discretion, elect to discontinue any existing or future Services or provide such Services through a different third party or third party network, and Bank shall have no liability for the unavailability of such Services. Bank's use of any third party or third party network does not affect any of Customer's obligations under these Terms and Conditions.
6. Amendment. Bank may amend these Terms and Conditions from time to time without any limitation by written notice to Customer. If Customer uses any Services provided for by the Terms and Conditions after receipt of such notice of amendment, such use shall be deemed to constitute agreement to the terms of the amendment.
7. Intellectual Property. These Terms and Conditions do not transfer to Customer any ownership or proprietary rights in the Bank's Services or any associated content, technology, software or any part thereof. Bank or its agents retain all intellectual property rights, title, and interest in and to any associated content, technology, and software required to provide the Services. Neither Customer nor any Authorized User will: (a) sell, lease, distribute, license, or sublicense the Services; (b) modify, change, alter, translate, create derivative works from, reverse engineer, disassemble, or decompile the Services or any part of them in any way for any reason; (c) provide, disclose, divulge, or make available to or permit use the Services by any third party other than those properly authorized by Customer to access the Services; (d) copy or reproduce all or any part of the Services; (e) interfere, or attempt to interfere, with the Services in any way; or (f) use the Services in any anti-competitive manner or for any purpose that would be contrary to the Bank's business interests.
8. Grant of Security Interest in Account; Right of Offset. In the event of any failure by Customer to perform any of its obligations under these Terms and Conditions, Bank shall have all rights and remedies available at law or in equity. Without limiting the generality of the foregoing, Customer grants to Bank a contractual security interest in, and acknowledges that Bank shall have a contractual and statutory right of setoff against, any and all Accounts, funds, monies, and other properties of Customer at Bank or which come into the possession of Bank for the purpose of satisfying the obligations of Customer hereunder or under the Agreement. Customer agrees that none of its deposits at Bank shall be considered "special" deposits unavailable for setoff by Bank unless Bank has specifically so agreed in a separate writing. Customer agrees that the rights and remedies of Bank described herein are in addition to all other rights which Bank may have by law or equity, including SDCL 44-11-11. Customer agrees to execute and deliver (and consents to Bank's execution and delivery of) such other writings, financing statements, and other documents, and to take whatever other actions are requested by Bank, to confirm, perfect, and continue all security interests granted by Customer to Bank and to enable Bank to realize the rights and remedies set forth herein. Customer hereby appoints Bank as its irrevocable attorney-in-fact for the limited purpose of executing any documents or taking any other actions necessary or beneficial in Bank's sole judgment to grant, confirm, perfect, or continue the perfection of security and other interests granted to Bank in these Terms and Conditions. Bank may at any time, and without further authorization from Customer, file a photographic or other reproduction of these Terms and Conditions as a financing statement or similar document. Customer agrees to reimburse Bank for all expenses it may incur for the perfection, including the continuation thereof, of all security interests granted by Customer to Bank.

9. Event of Default. If any one of the following events (each an "Event of Default") shall occur, then to the extent permitted by applicable law, Bank shall have the right to exercise any one or more remedies set forth below: (a) Customer fails to pay any payment due under the Agreement (including the Schedules thereto), or any other Account Agreement between the parties when due; (b) Customer fails to pay, when due, any other indebtedness of Customer to Bank arising independently of the Services; (c) Customer fails to perform any of the terms, covenants, or conditions provided in these Terms and Conditions or otherwise breaches any of its representations and warranties provided in these Terms and Conditions; (d) Customer becomes insolvent or makes an assignment for the benefit of creditors; (e) a receiver, trustee, conservator, or liquidator of Customer, of all or a substantial part of its assets, is appointed with or without the application or consent of Customer; or (f) a petition is filed by or against Customer under the Bankruptcy Code or any amendment thereto, or under any other insolvency law, or laws, providing for the relief of debtors. Upon the occurrence of any Event of Default and at any time thereafter, Bank may, in its sole discretion, do any one or more of the following: (a) upon notice to Customer, terminate or suspend the performance of the Services; (b) require the immediate return of the Processing Equipment to Bank; (c) if Bank decides in its sole discretion not to take possession of the Processing Equipment, Bank continues to be the owner of the Processing Equipment and may, but is not obligated to, dispose of the Processing Equipment by sale or otherwise, all of which determinations may be made by Bank in its absolute discretion and for its own account; (d) require the immediate payment of all amounts then due to Bank (e) obtain and share information on Customer's assets, employment, available credit lines for purposes of collecting monies owed to Bank; (f) in its sole discretion, re-use or sell any or all of the Processing Equipment at a public or private sale on such terms and notice as Bank shall deem reasonable and recover from Customer damages; (g) exercise any other right or remedy which may be available to it under the South Dakota Uniform Commercial Code or any other applicable law.
10. Termination. Bank may, in its sole discretion, terminate these Terms and Conditions or any one or more Services at any time without notice to Customer. If you have not utilized a particular Service in the past ninety (90) days, Bank may un-enroll you and terminate your access to such Service. Customer may un-enroll for a Service by providing ten (10) days' prior notice to Bank via email at [businesssolutions@fnbsf.com](mailto:businesssolutions@fnbsf.com), via telephone by calling (605) 335-5101, or via mail by writing Bank at The First National Bank in Sioux Falls, Attn: Business Solutions, 100 S. Phillips Ave., Sioux Falls, SD 57104. By un-enrolling for any Service, Customer understands that it and its Authorized Users will no longer have access to such Service. Customer's Account(s) will otherwise not be affected. Bank retains the right to terminate any Account Agreement at any time for any reason. Upon termination: (a) if requested by Customer, Bank will provide Customer (or its representative) with the current version of the Check Issue Reports database in either electronic or paper form at Bank's discretion; (b) Bank shall be entitled to payment of all obligations of Customer with respect to the Services performed by Bank prior to the date of termination; and (c) Bank has the right to demand immediate return of any software, hardware, equipment, or other personal property utilized in performing the Services elected and in the event Customer fails to immediately return such items upon written demand by Bank, Bank shall have the authority to enter Customer's premises and remove such items.
11. Confidential Information. Customer and Bank will treat any confidential information about the other party, including but not limited to data and other information identifying or otherwise concerning Bank's consumers or customers, processes, procedures, products, services, or any other proprietary, confidential, or secret information concerning the business or affairs of the Customer or Bank (the "Confidential Information") as proprietary to and owned by the party which provided the information. The parties shall use such Confidential Information only for the purposes contemplated by their agreements, unless otherwise authorized by the written consent of either party. Upon request or upon the termination of the Agreement or any Service, each party shall return to the other party all Confidential Information in its possession in hard copy or electronic form. Bank and Customer acknowledge that to the extent Confidential Information is disclosed to any affiliate or third party,

the disclosing party shall have a written contract protecting the confidentiality of same and shall ensure that such affiliates and third parties use and disclose Confidential Information only as needed for the provision of Services.

12. Recording and Use of Communications. The Customer and the Bank agree that all telephone conversations or data transmissions between them or their agents made in connection with the provision of Services may be electronically recorded and retained by either party by use of any reasonable means. The Bank shall not be obligated to make such recordings.



## ADDENDUM A

### Alerts Terms and Conditions

- A. Alerts. Your enrollment in the Services includes enrollment to receive transaction alerts and notifications (“Alerts”). Alerts are electronic notices from us that contain transactional information about your account(s) at the Bank that are subject to these Terms and Conditions. Account Alerts and Additional Alerts must be managed and/or added online through the Services. 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. We reserve the right to terminate this Addendum A and our alerts service at any time without prior notice to you.
- B. 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 Business Online Banking message inbox. Endpoint options may be changed at our discretion. 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.
- C. 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 after logging in to your Business Online Banking. For help with SMS text Alerts, text “HELP” to 99588. In case of questions, please contact Business Solutions at (605) 335-5101 or (800) 339-1160. Our participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, Verizon Wireless, MetroPCS.
- D. Limitations. The First National Bank in Sioux Falls 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 our control. We neither guarantee the delivery nor the accuracy of the contents of each Alert. You agree to not hold The First National Bank in Sioux Falls, 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.
- E. 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.