

This eDeposit agreement ("Agreement") contains the terms and conditions that govern use of the eDeposit service supplied to you by National Bank of Middlebury. By signing an eDeposit application, you accept and agree to be bound by this Agreement, the fees and charges set forth in the eDeposit Pricing Schedule, and by all applicable state and federal laws and regulations.

In this agreement, the words "you" and "your" refer to each customer who uses the eDeposit Service. The capitalized terms "National Bank of Middlebury" or the "Bank" refers to National Bank of Middlebury. The term "Check 21 Law" refers to the federal law commonly known as "The Check Clearing for the 21<sup>st</sup> Century Act."

**eDeposit Pricing Schedule**

The fees and charges set forth in the eDeposit Pricing Schedule that accompanies this Agreement are in addition to any other fees and charges payable by you to the Bank. National Bank of Middlebury reserves the right to change, amend, or otherwise revise the eDeposit Pricing Schedule at any time. If the eDeposit Pricing Schedule is revised, the Bank will notify you 30 days in advance. You are required to maintain a checking account with National Bank of Middlebury for settlement of eDeposits.

**eDeposit Service**

You have chosen to use check conversion technology to convert original checks to check images for deposit with National Bank of Middlebury as the Bank of first deposit. You will transmit electronic copies of the original checks using the scanner which has been provided to you. You understand and agree that the eDeposit Service may be provided by the Bank or by its designated agent.

**Your Duties and Obligations**

As you convert original checks into electronic images for transmission and deposit into your account, you must transmit all of the information from the front and back of the original check. You are responsible for all warranties or indemnifications for the Reconverting and Truncating Bank, as defined in the Check 21 Law. You also warrant that no depository bank, drawee, drawer, or endorser will be charged for a Substitute Check, original check, or other electronic representation for a check that has already been paid.

If you create a Check Image for deposit into your account, you agree that:

- a. You will undertake prudent measures designed to verify the identity of individuals issuing items to you.
- b. Items will not be otherwise deposited or negotiated in any form with another bank, credit union or other entity if it has been scanned and accepted for processing. If duplicate deposits are made in error, you will be liable for reimbursing customer(s);
- c. The check image accurately represents all of the information on the front and back of the original check as of time the original check was converted;
- d. The check image bears all endorsements applied by any party that previously handled the original check in any form for forward collection or return;
- e. The check image preserves the identity of the other bank or other party as required by law; and, you agree that
- f. Original checks will be maintained in a secure location for 60 days to permit research if items are questioned by parties involved in the processing and clearing of a transaction or become the subject of any other legal inquiry. After the 60 day period, we require that the checks be destroyed.
- g. Submit an e-mail notification of eDeposit total to: [eCorpACH@nbmvmt.com](mailto:eCorpACH@nbmvmt.com)

You agree that you will not transmit for deposit any item that (i) is issued by you or any affiliate, (ii) you suspect or should know to be fraudulent or not authorized by the legal owner of the account on which the check is drawn, or (iii) is a foreign item drawn on a financial institution that is located outside of the United States or Territories of the United States.

The Bank reserves the right to eliminate or change any of the function capabilities at any time without prior notice. You will be responsible for authorizing access to eDeposit to appropriate employee and assigning User IDs to such appropriate employees. Customer is responsible for all transactions made through any established User IDs and password. Customer and User will not make any passwords available to any non-authorized persons. Customer will be responsible for determining if they want to separate duties. For instance, one person could scan and submit the deposit while another could verify transaction statements or review eDeposit reports. The Bank will not be liable for non-authorized use of eDeposit or for any losses that may result. Customer will notify National Bank of Middlebury immediately if Customer believes that a User ID and/or password have been used without permission. Customer and User will not disclose any information pertaining to its use or the components of eDeposit to any non-authorized User. Customer has received and understands all new account disclosures connected with opening of Accounts and acknowledges that this Agreement is in addition to any of these agreements and disclosures. Customer will continue to have access to regular Account statements that describe all transactions for the Accounts including the transactions that Customer has initiated through eDeposit. Customer is responsible to review all statements in a timely manner (within 60 days) and report in writing any irregularities to the Bank at once.

You agree to indemnify the Bank for any loss or expense, including attorney fees and disbursements, which the bank incurs as a result of your breach of the warranties set forth in this Agreement. You also agree to defend, indemnify, and hold the Bank harmless from and against all liability, damage, and loss, including attorney fees and disbursements, arising out of any claims, suits, or demands brought by third parties against the Bank with respect to any check image including, without limitation, any errors arising out of keying errors on reject items. You also agree to indemnify, defend, and hold harmless the Bank from and against any and all losses, costs, expenses, fees, claims, damages, liabilities, and causes of actions (including attorney fees and disbursements) of third parties resulting or arising from (a) your failure to abide by or perform any obligation imposed upon you under this Agreement; (b) the willful misconduct, fraud, criminal activity, intentional wrongdoing, or negligence of you or any of your representatives involving use of the eDeposit service; (c) the actions, omissions, or commissions of you, your employees, consultants, and/or agents relating to the eDeposit Service; and from (d) any transmission or instruction, whether or not authorized, made by you in connection with the eDeposit Service that is acted upon by the Bank in good faith.

**eDeposit Annual Audits**

You agree to implement appropriate document management procedures at your place of business to ensure the safety and integrity of deposited items from the time of receipt until the time of destruction or other voiding. The Bank reserves the right to perform a site evaluation to review management and operational controls, staffing and the need for training and ongoing support, and the IT infrastructure. In addition, the Bank will perform annual audits at the customers location related to IT, Remote Deposit Capture and associated operational processes.

**eDeposit Threshold Limit**

A deposit dollar amount threshold will be put in place due to the credit risk associated with Remote Deposit Capture. This limit will be monitored by the Bank and may be changed at any time.

At the time of the signing of this contract, the Company's Maximum eDeposit Threshold Limit within a one (1) day period has been set at:

\$ \_\_\_\_\_

**National Bank of Middlebury Duties and Obligations**

National Bank of Middlebury will review and process all transactions received during the hours established by the Bank for accepting items deposited through the eDeposit Service, except when prevented from doing so due to equipment or electrical failures or any other condition beyond the reasonable control of the Bank. If the eDeposit Service is not functioning, you will need to make your deposit at one of our branches. National Bank of Middlebury will respond to client e-mail regarding status of submitted eDeposit and credit your account the same business day. Items deposited after 5:00 P.M. EST. will be processed on the next business day. The Funds Availability Schedule set forth in the Funds Availability Policy Disclosure will apply to all deposits made using the eDeposit Service.

**eDeposit Service Scanner**

National Bank of Middlebury has provided you with a Scanner to convert original checks into electronic images for transmission and deposit into your account.

The Bank did not manufacture the scanner. The Bank owns the scanner. The Bank has provided the scanner to you on a "WHERE IS, AS IS" basis, without any warranties, either expressed or implied.

The Bank will service the scanner or provide a replacement scanner in the event that the scanner should stop operating properly. The scanner remains property of National Bank of Middlebury.

**Warranties; Disclaimer of Warranties**

The eDeposit service is provided on an "as is" and "as available" basis. The Bank makes no and expressly disclaims all warranties, express or implied, regarding the eDeposit service, including the warranty of title and the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. Without limiting the generality of the foregoing, the Bank disclaims any warranties regarding the operation, performance or functionality of the eDeposit service (including, without limitation, that it will operate without interruption or be error free). There are certain security, information corruption, transmission error, and access availability risks associated with using open networks such as the internet and/or telecommunication lines or circuits. You hereby assume all such risks associated with use of the eDeposit service.

**Limitation of Liability**

The total liability of the Bank in connection with any deposit error arising from your use of the eDeposit Service shall be limited to a correction of any error arising from the negligence of the Bank.

The Bank's maximum potential liability shall, in any event, be limited to direct damages sustained by you as a direct result of the Bank's gross negligence or willful misconduct. The maximum aggregate liability of the Bank resulting from any such claim shall not exceed the total fees paid by you for the eDeposit service in the six-month period preceding the date of the claim. In no event shall the Bank be liable for special, incidental, punitive or consequential loss or damage of any kind, including lost profits.

**Term and Termination**

The term of this agreement shall begin when you sign the eDeposit application and shall continue for so long as you continue until you notify National Bank of Middlebury otherwise. The Bank may, at any time, terminate your use of the eDeposit Service.

**Credit Report**

The undersigned hereby authorizes National Bank of Middlebury to verify credit and employment history and/or have a credit-reporting agency prepare a credit report on the undersigned individuals

**Amending This Agreement**

The Bank may change, amend, or otherwise revise this agreement at any time. You agree to be bound by the current version of this Agreement. If this Agreement is revised, the Bank will notify you.

\_\_\_\_\_  
Financial Institution

\_\_\_\_\_  
Company

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Attachment A**  
**eDeposit Application**

**Company Name:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**SSN/Tax ID#:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Ext.:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

**Master Billing Account:** \_\_\_\_\_

**Account Number:** \_\_\_\_\_ **Nickname:** \_\_\_\_\_

**By signing this application, the company representative agrees to the terms and conditions set forth in the accompanying National Bank of Middlebury eDeposit Agreement.**

**Print Name Here:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

(Authorized Signer)

**Attachment B**  
**eDeposit Pricing Schedule**

\$250 ..... Installation / Set-up Fee

\$ 75 ..... Monthly Processing Fee

**Customer Name:** \_\_\_\_\_

**Customer Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Please sign and drop off completed application at one of our branches or send it to—  
Electronic Services  
National Bank of Middlebury  
PO Box 189  
Middlebury VT 05753-0189  
electronicservices@nbmvmt.com