

Mobile Banking Agreement | Mobile Check Deposit

These terms and conditions constitute the agreement (“Agreement”) between you and Pinnacle Bank (“the Bank”) with respect to access to and the use of Pinnacle Bank’s Mobile Banking (“the Service”). By applying for the Service, you authorize the Bank to follow your instructions in the use of the Service. Your use of the Service constitutes your agreement to be bound by the terms of this Agreement. In this Agreement, the words “you” and “yours” mean each person who applied for the Service and the terms “us,” “our” and “we” mean the Bank.

Description of Service

Pinnacle’s Mobile Banking is a financial information management service that allows Online Banking (personal and small business) customers to access account information, pay bills, transfer funds between accounts and more. To use the Service you must be enrolled in Online Banking and have a compatible wireless web-enabled cell phone or wireless device of this nature (such as a smartphone or tablet). Some features of the Service, such as Mobile Banking Deposit, can only be accessed through Pinnacle’s Mobile Banking App, and may be restricted to just personal accounts.

We reserve the right to modify the scope of this Service at any time and to upgrade or change the various functions. We also may offer additional functions for this Service in the future. If we do, we will update this Agreement, as necessary, and send notification to the email address associated with your Online Banking account. You are responsible for updating your email address in Online Banking. We also will make the revised Agreement available in our branches and on our website at www.mypinnacle.com. Your use of the Service after such notification will constitute your acceptance of the new terms and conditions of the Agreement. When you enroll in this Service, you will be able to use your wireless device to access designated accounts, payees and other information linked to your Online Banking service.

Use of Service

Use of this Service requires your Online Banking login information (Online ID, Online Password and personal security questions). You agree to make certain that you understand how to use the Service before you actually do so. You also agree to use this Service in accordance with the instructions provided in our Online Banking & Online Bill Pay Terms and Conditions. You also accept responsibility for making certain that you know how to use your wireless device. We will not be responsible for any losses caused directly or indirectly by your failure to properly use the Service or your wireless device.

Fees

Pinnacle offers the benefits and convenience of the Service to you at no charge to you; at this time however the Bank reserves the right to charge fees for the Service in the future. Your wireless carrier may charge for text messaging, web access, data transfer and other related services. Check with your carrier for information about any fees that might be imposed.

Unauthorized Access

You agree that we are entitled to act upon instructions we receive with respect to the Service under your Online ID and Password (“Authentication Method”). It is important for you to notify us if any part of your Authentication Method has been compromised in some manner. Until you do so, we may treat all instructions as having been authorized by you. We have no responsibility for establishing the identity of any person who uses your Authentication Method. You agree that if you give any component of your Authentication Method to anyone or fail to safeguard its secrecy, you will be in violation of your obligations under the Online Banking and Online Bill Pay Agreements and this Mobile Banking Agreement. You agree to take appropriate steps to ensure that all components of your Authentication Method are protected and kept confidential. By accessing Mobile Banking with your Authentication Method, you authorize us to complete the requested transaction(s) through the Service. Any requests or instructions we receive from you through the Service using your Authentication Method shall be considered “in writing” under all applicable law(s) and shall have the same force and legal effect as a writing signed by you. This includes, but is not limited to, inquiries, transfers, deposit transactions, checks deposited, check

images, changes to accounts or services or any other communication you provide us through the Service using your Authentication Method.

If you believe that any part of your Authentication Method 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 the Bank at once by calling us at 877-306-2118 or by writing to us at: e-Banking Support, 3751 Robert Grissom Parkway Suite 100, Myrtle Beach, SC 29577.

Service Limitations

The Service may be delayed, interrupted or disrupted for periods of time due to circumstances beyond our control. This could be caused by interruption, equipment malfunctions or delay in transmission by your telecommunications carrier. We do not assume responsibility for any resulting loss that you or others may suffer as a result. Nor do we assume responsibility for the operation, security, functionality or availability of any wireless device or network which you use to access this Service.

Wireless Device & Carrier

If we identify any cell phone or other wireless device as a compatible device for use with this Service, we are not endorsing the performance of the device or warranting its ability to operate in a satisfactory manner. You are responsible for the selection of your cell phone or other wireless device, and you must resolve with your wireless carrier and/or equipment manufacturer all operational, performance and cost issues relating to the device.

Cancellation of Service

You may cancel your participation in the Service from within Online Banking or by calling us at 877-306-2118. We reserve the right to cancel the Service at any time without notice and with or without cause. We may also suspend your access to the Service at any time without notice for any reason, including but not limited to, your failure to use this Service for a period of six (6) months or your failure to maintain your accounts in good standing. If we terminate your enrollment in the Service, any scheduled transfer or bill payments will not be processed; pending Mobile Deposits may be cancelled. Neither termination nor discontinuation shall affect your liability or obligation under this Agreement.

TERMS SPECIFIC TO MOBILE BANKING DEPOSIT

The Mobile Banking Deposit feature ("Mobile Deposit") is designed to allow personal and small business Online Banking users to make deposits to their checking, money market or savings accounts from a camera-enabled mobile device capable of capturing check images and information, and electronically delivering the items and associated deposit information to the Bank's designated processor. The device must capture an image of the front and back of each check to be deposited in accordance with the procedures and instructions ("Procedures") available on our website under Mobile Banking; must read and capture the magnetic ink character recognition ("MICR") line on each check; and must read and capture all such other data and information as is required by this Agreement or Federal Reserve regulations for the processing of these checks for payment.

Eligibility Requirements

Pinnacle Mobile Deposit is available to Pinnacle clients who opened their accounts in the Carolinas or Virginia. In addition, you must meet the following criteria:

- You must have a Pinnacle Bank checking and/or savings account.
- You must have a smart phone (iPhone® or Android device).
- You must have demonstrated financial responsibility for a minimum of 90 days with all Pinnacle Bank accounts.

Hardware and Software Requirements

In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by us from time to time. See www.mypinnacle.com for current hardware and software specifications. We and/or our service provider(s) may change these specifications and/or requirements from time to time. The Bank

is not responsible for any third party software you may need to use the Service. You agree that you will perform, or cause to be performed by properly trained personnel, all vendor recommended maintenance, repairs, upgrades and replacements. Unless otherwise provided in this Agreement, you are solely responsible, at your own expense, for purchasing, installing, operating, testing and maintaining all hardware and software necessary to use the Service. You must install and test your Mobile Device, your system, and any other required hardware and software before you make your first deposit through the Service. You accept any such software “as is” and subject to the terms and conditions of the software agreement that you enter into directly with the third party software provider at the time of download and installation. We are not responsible for, and you release us from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using the Service, e-mail or the Internet. You agree that all images and files transmitted to us through Mobile Deposit will contain no viruses or any other disabling features that may have an adverse impact on our network, data, or related systems.

Mobile-Based Deposits:

Apple iPhone | Apple iPad | Phone for Android | Phone for Windows 7

Deposit Limits

The Bank reserves the right to establish and assign to you deposit limits for Mobile Deposit (including limits on the dollar amount and/or number of checks that you may transmit through the Service each day and or each month) and to modify such limits from time to time in the Bank’s sole discretion, and you agree to comply with all such limits.

Consumer		Small Business	
Daily Check Limit	3	Daily Check Limit	5
Daily Deposit Amount	\$1,500.00	Daily Deposit Amount	\$2,500.00
Monthly Check Limit	15	Monthly Check Limit	50
Monthly Deposit Amount	\$5,000.00	Monthly Deposit Amount	\$20,000.00

Eligible Items

You agree to deposit only “checks” as that term is defined in Federal Reserve Regulation CC (“Reg. CC”). When the image of the check transmitted to us is converted to an Image Replacement Document for subsequent presentment and collection, it shall thereafter be deemed an “item” within the meaning of Articles 3 and 4 of the Uniform Commercial Code.

You agree that you will not use Mobile Deposit to deposit any of the following types of checks or other items which shall be considered ineligible items:

- Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into.
- Checks containing an alteration on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.
- Checks payable jointly, unless deposited into an account in the name of all payees.
- Checks previously converted to a substitute check, as defined in Reg. CC.
- Checks drawn on a financial institution located outside the United States.
- Checks that are remotely created checks, as defined in Reg. CC.
- Checks not payable in United States currency.
- Checks dated more than 6 months prior to the date of deposit.
- Checks or items prohibited by Bank’s current Procedures relating to Mobile Deposit or which are otherwise not acceptable under the terms of your Bank account.
- Checks payable on sight or payable through Drafts, as defined in Reg. CC.
- Checks with any endorsement on the back other than that specified in this agreement.

- Checks that have previously been submitted through the Service or through a remote deposit capture service offered at this or any other financial institution.
- Digitally scanned, photocopied or otherwise duplicated versions of checks.

Endorsements

Each check transmitted through Mobile Deposit must bear all required and authorized signatures and include “FOR MOBILE DEPOSIT.” You agree to follow any and all other Procedures. Endorsements must be made on the back of the check within 1½ inches from the top edge, although we may accept endorsements outside this space. Any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you will be your responsibility. For a check payable to you and any joint owner(s) of your Bank account, the check must be endorsed by all such payees and you may only use Mobile Deposit to deposit such check into a Bank account jointly owned by all such payees. If the check is payable to you or your joint owner, either of you can endorse it. If the check is made payable to you and any non-joint owner, you may not deposit the check into your Bank account using Mobile Deposit.

Check Requirements (including image quality)

The image of an item transmitted to the Bank using Mobile Deposit must be legible and contain images of the front and back (including all four corners) of the check. The image quality of the items must comply with the requirements established from time to time by the American National Standards Institute (“ANSI”), the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association. These requirements include, but are not limited to, ensuring the following information can clearly be read and understood by sight review of the check image: the amount of the check (both written and numeric); the payee; the signature of the drawer (maker); the date; the check number; the information identifying the drawer and the paying financial institution that is preprinted on the check including the MICR line; and all other information placed on the check prior to the time of an image of the check is captured (such as any required identification written on the front of the check and any endorsements applied to the back of the check).

Processing Your Deposit(s)/Cut-Off Time

When you submit a check through Mobile Deposit, we use systematic methods to review and verify the item for acceptance. Once this initial review has been completed, the system will generate an e-mail confirmation of acceptance or rejection to you. If you submit your item(s) to us, and you receive a confirmation of acceptance e-mail message before 7:00PM Eastern Time (the “Cut-Off Time”) on any Business Day, we shall process your item(s) on that Business Day. If you submit your item(s) to us after the Cut-Off Time, or your e-mail confirmation of acceptance is generated after the Cut-Off Time on any Business Day, we shall process your item(s) on the next Business Day. Acceptance of an item for processing does not guarantee that the deposit will not be rejected after further review, as described below.

Our Business Days are Monday through Friday, excluding Federal holidays and any other day that we are not actually open.

Availability of Funds

For deposits made through Mobile Deposit, our general policy is to allow you to withdraw funds deposited into your account on the first business day after we receive the deposit. In some cases, we may delay your ability to withdraw funds beyond the first business day. Then, the funds will generally be available by the fifth business after the day of deposit. A notice will be sent to you if a hold is placed on any deposited funds. For more information, please refer to our Funds Availability Policy Disclosure.

Rejection of Deposits

You agree that all deposits received by us are subject to verification and final inspection and may be rejected by us in our sole discretion, and you shall be liable to the Bank for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against the Bank relating to such deposits. The Bank is not liable for any service or late charges that may be imposed against you due to the Bank’s rejection of any check that you transmit for deposit through Mobile Deposit. In all cases, you are responsible for any loss or overdraft plus any applicable

fees to your account due to a check being returned. You acknowledge and agree that, while we normally provide notice of rejected deposits, we may reject any check transmitted through Mobile Deposit in our sole discretion without notice to you, and we will not be liable for any such rejection or failure to notify you of such rejection. If we reject a check for Mobile Deposit, you must physically deposit the original check; you may not attempt to re-deposit it through Mobile Deposit.

Unpaid Checks

You are solely responsible for verifying that checks that you deposit by using Mobile Deposit have been received and accepted for deposit by the Bank. The Bank will provide you with notice of any deposits that it is unable to process because checks were returned unpaid by the payor financial institution. In the event that the Bank credits your account for a check that is subsequently dishonored and returned, you authorize the Bank to debit the amount of such check plus any associated fees from the account. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any of your other account(s) with the Bank in our sole discretion. Our right to charge your account(s) will apply without regard to whether the check was timely returned or whether there is any other claim or defense that the check was improperly returned. You understand and agree that since the original check is your property, it will not be returned and the Bank may charge back an image of the check, an ACH debit, or other electronic or paper debit, as applicable, to your account. You further agree that any image that we charge back may be in the form of an electronic or paper reproduction of the original check or a substitute check. You may not use Mobile Deposit to deposit a substitute check and you may not redeposit the original check through Mobile Deposit or in any other manner if you receive a dishonored check. You agree to comply with any additional instructions we may provide to you in connection with returned checks.

Duty to Report Errors

The Bank will provide you with periodic statements that will identify the deposits that you make through Mobile Deposit. In addition, you may access the Bank's Online Banking service for information about your deposits, return items, deposit adjustments, checks and other transactions on your accounts. You agree that it is your responsibility to review all such information that the Bank makes available to you in a timely manner to verify that deposits made through Mobile Deposit have been received and accepted by the Bank and are accurate. Receipt of a check by the Bank through Mobile Deposit does not constitute an acknowledgement by the Bank that the check is error-free or that we will be liable for the check. You agree to notify us promptly of any errors, omissions, or discrepancies in a deposit within the time periods established in your Deposit Account Agreement. You may notify us by writing to Pinnacle Bank, e-Banking Support, 3751 Robert Grissom Parkway Suite 100, Myrtle Beach, SC 29577 or telephoning us at 877-306-2118. You agree to cooperate in any investigation by the Bank of any unsuccessful or lost transmission. Subject to applicable law, any failure by you to notify the Bank of any error, omission or other discrepancy in accordance with this Agreement and your Deposit Account Agreement shall relieve the Bank of any liability for such error, omission or discrepancy.

Availability of Service/Contingency

In the event you are unable to capture, submit or transmit a check image to the Bank, or otherwise comply with the terms or the Procedures for any reason, including but not limited to, communications, equipment or software outages, interruptions or failures, you will transport or mail the originals of all checks to the closest Bank branch location. The deposit of original checks at a branch of the Bank shall be governed by the terms and conditions of the Deposit Account Agreement and not by the terms of this Agreement.

Storage, Security and Destruction/Disposal of the Checks

After you receive confirmation that we have accepted your deposit, you must mark it as "DEPOSITED" and securely store the original check for sixty (60) business days after transmission to us. You must make the original check accessible to us at our request. Upon our request, you will deliver to us within two (2) Business Days, at your expense, the requested original check in your possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after the sixty (60) day retention period expires, you must destroy the original check by cross-cut shredding or another commercially acceptable means of destruction. After destruction of the original check, the image will be the sole evidence of the original check. You agree that you will never re-

present the original check. You understand that you are responsible if anyone is asked to make a payment based on an original check that has already been paid.

Presenting Checks More Than Once

Once you have used Mobile Deposit to deposit a check, and that check has been accepted, you agree not to present, or allow anyone else to present, that original check or a substitute check of that original check again for deposit through Mobile Deposit or by any other means. If you or anyone else present a check or substitute check for deposit more than once, in violation of this Agreement, you agree to indemnify, defend and hold the Bank harmless from and against all liability and damages that may result from any claims, suits or demands from third parties with respect to such check or substitute check. You agree that we may debit from your Bank account the aggregate amount of any checks that that are deposited more than once. To the extent that funds in your account are insufficient to cover such amount, we shall debit the deficiency amount from any other of your account(s) with the Bank in our sole discretion.

Data Security

You will complete each deposit promptly. If you are unable to complete your deposit promptly, you will ensure that your mobile device remains securely in your possession until the deposit has been completed. It is your responsibility to establish and maintain procedures to safeguard against unauthorized deposits. You will notify us immediately by telephone at 877-306-2118 and with written notice at Pinnacle Bank, Attn: e-Banking Support, 3751 Robert Grissom Parkway Suite 100, Myrtle Beach, SC 29577 if you learn of any loss or theft of original checks. You will ensure the safety and integrity of original checks from the time of receipt until the time of destruction. If warranted in our reasonable judgment, we may audit and monitor your banking and account activity, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.

Cooperation with Investigations

You agree to cooperate with us 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 deposited through Mobile Deposit in your possession and your records relating to such items and transmissions.

Cancellation of Mobile Deposit

We reserve the right to cancel your access to Mobile Banking Deposit at any time and without notice.