

MOBILE REMOTE DEPOSIT SERVICES AGREEMENT (“Agreement”)

This agreement contains the terms and conditions for the use of Uwharrie Bank’s Mobile Deposit and/or other remote deposit capture services that Uwharrie Bank or its affiliates (“us”, “we”, “our”, or “Bank”) may provide to you (“you”, “your”, “user”, or “Customer”). Other agreements you have entered into with the Bank, including without limitation the Depository Agreement and Disclosures governing your Bank account, continue to apply. In the event of a conflict between this Agreement and any other agreement you have entered into with the Bank, this Agreement shall govern.

- 1. Services.** The remote deposit capture services (“Mobile Deposit” or “Services”) are designed to allow you to make deposits to your checking, money market checking or savings accounts from your camera-enabled mobile device capable of capturing check images and information and electronically delivering the items and associated deposit information to the Bank or 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; 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. The Bank offers the benefits and convenience of the Services to you free. The Bank reserves the right to charge fees for the Services in the future.
- 2. Acceptance of these Terms.** Your use of the Services constitutes your acceptance of this Agreement. This Agreement is subject to change from time to time. We will notify you of any material change via email or by posting notice of such change on our website(s) and such change shall be effective thirty (30) days following our provision of such notice. Your continued use of the Services will indicate your acceptance of the revised Agreement. Further, the Bank reserves the right, in its sole discretion, to change, modify, add or remove portions from the Services. Your continued use of the Services will indicate your acceptance of any such changes to the Services. In the event that an immediate change is needed to ensure the security of the Services, we will post a notice of any such change on our website. You may choose to accept or decline such changes by continuing or discontinuing the Services.
- 3. Limitations of Services.** When using the Services, you may experience technical or other difficulties. We shall not be responsible for any technical or other difficulties or any resulting damages that you may incur. Some of the Services have qualification requirements, and we reserve the right to change the qualifications at any time without prior notice. We reserve the right to change, suspend or discontinue the Services, in whole or in part, or your use of the Services, in whole or in part, immediately and at any time without prior notice to you.
- 4. Joint Accounts.** You understand and agree that to the extent permitted under applicable law each owner of a Bank account is jointly and individually responsible for all Mobile Deposit transactions that affect that account.
- 5. Eligible Items.** You agree to scan and deposit only checks as that term is defined in Federal Reserve Regulation CC (“Reg CC”). You agree that the image of the check transmitted to the Bank (each such check a “Check” and, if more than one, “Checks”) shall be deemed an “item” within the meaning of Article 4 of the Uniform Commercial Code as adopted in North Carolina (such scanned Check image transmitted to the Bank for credit to your account, a “Remote Item”). You agree that you will not use the Services to scan and deposit checks or items that: (a) are payable to any person or entity other than you (in the case of a check made payable to more than one payee, please refer to Section 8 of this Agreement, titled “Endorsements and Procedures”); (b) are drawn or otherwise issued by you or any other person on any of your accounts or any account on which you are an authorized signer or joint account holder; (c) contain obvious alteration to any of the fields 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 or item is drawn; (d) were previously converted to a substitute check as defined in Reg CC without the Bank’s prior written consent; (e) were previously converted to an image replacement document as defined in Reg CC without the

Bank's prior written consent; (f) are drawn on a financial institution located outside the United States; (g) are remotely created checks, as defined in Reg CC; (h) are not payable in United States currency; (i) are dated more than six (6) months prior to the date of deposit; (j) are prohibited by the Bank's current procedures relating to the Services (the "Procedures"); (k) are in violation of any federal or state law, rule, or regulation; or (l) are otherwise not acceptable under the terms of your Bank account.

6. **Image Quality.** The image of an item transmitted to the Bank using the Services must be legible and contain images of the front and back 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).
7. **Your Responsibility.** You are solely responsible for the quality, completeness, accuracy, validity and integrity of the image. You are solely responsible if you, intentionally or unintentionally, submit fraudulent, incorrect or illegible images to us or if Mobile Deposit is used, by authorized or unauthorized persons, to submit fraudulent, unauthorized, inaccurate, incorrect or otherwise improper or unusable images to us.

In addition you agree that you will not modify, change, alter, translate, create derivative works from, reverse engineer, disassemble or decompile the technology or Services, copy or reproduce all or any part of the technology or Services; or interfere, or attempt to interfere, with the technology or Services. We and our technology partners, inclusive of, but not limited to, Intuit, Inc. and Vertifi Software, LLC, retain all rights, title and interests in and to the Services, software and development made available to you.

8. **Endorsements and Procedures.** You agree to restrictively endorse any item transmitted through the Services as "FOR MOBILE DEPOSIT ONLY, Uwharrie Bank account # ____" or as otherwise instructed by the Bank. You agree to follow any and all other procedures and instructions for use of the Services as the Bank may establish from time to time. Endorsements must be made on the back of the share draft or 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 the Services.
9. **Receipt of Items.** We reserve the right to reject any item transmitted through the Services, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from the Bank that we have received the image. Receipt of such confirmation does not mean the transmission was error free or complete. Following receipt of such confirmation, the Bank will process the image by preparing a "substitute check" or clearing the item as an image.
10. **Availability of Funds.** You agree that items transmitted through the Services are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Funds deposited using the Services will be available after the Bank receives final payment for the funds submitted. The Bank may, but is not required to, make such funds

available sooner based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and other such factors as the Bank, in its sole discretion, deems relevant.

- 11. Disposal of Transmitted Items.** After you receive confirmation that we have received an image, you must securely store the original Check for 14 days after transmission to us and make the original Check accessible to us at our request. Upon our request from time to time, you will deliver to us within two 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 14-day retention period expires, you must destroy the original Check by first marking it "VOID" and then destroying it 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. For purposes of this Agreement, a "Business Day" means any weekday, excluding the following days: New Year's Day, Martin Luther King, Jr. Day, President's Day, Good Friday, the calendar day following Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day, or any other federal banking holiday observed by the Federal Reserve.
- 12. Returned Deposits.** Any credit to your account for Checks deposited using Mobile Deposit is provisional. If original Checks deposited through Mobile Deposit are dishonored, rejected or otherwise returned unpaid by the drawee bank, or are rejected or returned by a clearing agent or collecting bank, for any reason, including, but not limited to, issues relating to the quality of the image, you agree that an original Check will not be returned to you, but that we may charge back the amount of the original Check and provide you with an image of the original Check, a paper reproduction of the original Check or a substitute check. You will reimburse us for all loss, cost, damage or expense caused by or relating to the processing of the returned item. Without our approval, you shall not attempt to deposit or otherwise negotiate an original check if it has been charged back to you.
- 13. Right of Setoff.** We may debit any of your accounts with us to obtain payment for any item that has been rejected or returned, for any adjustment related to such item or for any warranty claim related to such item (whether or not the rejection, return, adjustment or warranty claim was made timely), or for any other amounts owed to us under the terms of this Agreement.
- 14. Mobile Deposit 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 704-991-2800 and with written notice at Uwharrie Bank Attn: e-zBanking Dept. P.O. Box 338, Albemarle, NC 28002 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 you, and you agree to cooperate with us to permit such monitoring, to confirm that you have satisfied your obligations under this Agreement.
- 15. Compliance with Law.** You will use Mobile Deposit for lawful purposes and in compliance with all applicable laws, rules and regulations. You warrant that you will only transmit acceptable items for deposit and have handled the original items in accordance with applicable laws, rules and regulations.
- 16. Deposit Limits.** We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Services and to modify such limits from time to time. Unless otherwise specified by the Bank, changes to such limits shall be effective immediately upon notice to you via email or the Bank's website.

- 17. Hardware and Software.** In order to use the Services, you must obtain and maintain, at your expense, compatible hardware and software as specified by the Bank from time to time. The Bank is not responsible for any third party software you may need to use the Services. Any such software is accepted by you as is and is subject to the terms and conditions of the software agreement you enter into directly with the third party software provider at time of download and installation.
- 18. Contingency Plan.** In the event you are unable to capture, balance, process, produce or transmit a file 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 location. The deposit of original checks at an office of the Bank shall be governed by the terms and conditions of the Deposit Account Agreement and not by the terms of this Agreement.
- 19. Errors.** You agree to notify the Bank of any suspected errors regarding items deposited through the Services right away, and in no event later than sixty (60) days after the applicable Bank account statement is sent. Unless you notify the Bank within sixty (60) days, such statement regarding all deposits made through the Services shall be deemed correct, and you are prohibited from bringing a claim against the Bank for such alleged error.
- 20. Presentment.** The manner in which the items are cleared, presented for payment and collected shall be in the Bank's sole discretion subject to the Depository Agreement and Disclosures governing your account.
- 21. Ownership and License.** You agree that the Bank retains all ownership and proprietary rights in the Services, associated content, technology and website(s). Your use of the Services is subject to and conditioned upon your complete compliance with this Agreement. Without limiting the effect of the foregoing, the Bank may immediately terminate your right to use the Services upon any breach of this Agreement by you. Without limiting the restriction of the foregoing, you may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to the Bank's business interest, or (iii) to the Bank's actual or potential economic disadvantage in any aspect. Unless your Bank account is specifically designated by the Bank as a sole proprietor account, you may use the Services only for non-business, personal use in accordance with this Agreement. You may not copy, reproduce, distribute or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Services.
- 22. DISCLAIMER OF WARRANTIES.** YOU AGREE THAT YOUR USE OF ANY REMOTE BANKING SERVICE (INCLUDING WITHOUT LIMITATION MOBILE DEPOSIT) AND ALL INFORMATION AND CONTENT (INCLUDING THAT OF THIRD PARTIES) IS AT YOUR RISK AND IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. WE DISCLAIM ALL WARRANTIES OF ANY KIND AS TO THE USE OF ANY REMOTE BANKING SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT. WE MAKE NO WARRANTY THAT ANY REMOTE BANKING SERVICE (TO INCLUDING WITHOUT LIMITATION MOBILE DEPOSIT) WILL MEET YOUR REQUIREMENTS OR WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE. WE MAKE NO WARRANTY THAT THE RESULTS THAT MAY BE OBTAINED WILL BE ACCURATE OR RELIABLE OR THAT ANY ERRORS IN ANY REMOTE BANKING SERVICE OR TECHNOLOGY WILL BE CORRECTED.
- 23. LIMITATION OF LIABILITY.** YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER LOSSES INCURRED BY YOU OR ANY THIRD PARTY ARISING FROM OR RELATED TO THE USE OF, INABILITY TO USE, OR THE TERMINATION OF THE USE OF ANY REMOTE BANKING SERVICE (INCLUDING WITHOUT LIMITATION MOBILE DEPOSIT), REGARDLESS OF THE FORM OF ACTION OR CLAIM

(WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF WE HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF, EXCEPT AS OTHERWISE REQUIRED BY LAW.

24. User Warranties. With respect to each and every Check you use to create an image using the Services and every Remote Item you transmit to the Bank, you represent and warrant to the Bank that: (a) you assume responsibility for any Check that is transmitted which for any reason is not paid; (b) you are a person entitled to enforce the Check; (c) neither the Check nor the Remote Item is counterfeit; (d) neither the Check nor the Remote Item has been altered; (e) neither the Check nor any image of the Check has been paid; (f) no depository bank, drawee, drawer, or endorser will receive presentment or return of, or otherwise be charged for, an item transmitted as a Remote Item, or any check or item derived from such Remote Item, such that said person will be asked to make a payment based on an item that it has already paid; (g) the Customer shall properly endorse each Check and deposit said Check to an account at Bank that matches the name of the Customer, in accordance with Section 8; (h) the Customer shall deposit only checks made payable to the Customer, unless otherwise allowed under Section 8 of this Agreement; (i) neither the Check nor the Image is subject to a defense or claim in recoupment that can be asserted against the Customer; (j) the Customer has no knowledge of any insolvency proceeding commenced with respect to the Customer or in the case of an unaccepted check, the drawer; (k) all information provided by the Customer to the Bank is accurate and true; (l) files submitted by the Customer to the Bank do not contain computer viruses or malware; (m) the Remote Item is a digitized image of the front and back of the Check and accurately represents all of the information on the front and back of the Check as of the time Customer converted the Check to a Remote Item; (n) if the Remote Item is being deposited into a Bank account designated by the Bank as a sole proprietor account, the Customer has retained supporting documentation regarding the Remote Item that shows the item is payable and authorizes the payee to charge and collect the monies owed; (o) the Remote Item contains all endorsements applied by parties that previously handled the Check in any form for forward collection or return; (p) each of the Checks were duly authorized in the amount stated on the corresponding Remote Item and to the payee stated on such Remote Item; (q) the Bank will not suffer any loss as a result of Customer's retention or destruction of the paper originals of Remote Items; and (r) the Customer has performed and will perform all of its obligations under this Agreement. The Customer shall be deemed to repeat and reaffirm each of the foregoing representations and warranties at the time any Check and/or Remote Item is delivered to the Bank through the Services.

25. Accountholder's Indemnification Obligation. You understand and agree that you are required to indemnify us and hold us harmless against any and all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses arising from your use of the Services and/or breach of this Disclosure and Agreement (including, but not limited to, any breach of the warranties, representations, or obligations contained in this Agreement). You understand and agree that this paragraph shall survive the termination of this Agreement.

You understand and agree that you are required to indemnify our technology partners, including but not limited to Intuit, Inc. (Intuit) and Vertifi Software, LLC (Vertifi), and hold harmless Intuit, its affiliates, officers, employees and agents, as well as Vertifi, its affiliates, officers, employees, and agents, from and against any third party claims, suits, proceedings, actions or demands, including to claims of another financial institution, business entity or governmental authority, and all losses, liabilities, damages, fines, penalties, costs and expenses, including court costs and reasonable attorney fees and expenses, arising from such claims, to the extent such claim is related to FI or End User's use of the Services, Vertifi or Intuit Applications, unless such claim directly results from an action or omission made by Intuit or Vertifi in bad faith. You understand and agree that this paragraph shall survive the termination of this Agreement.

26. General Terms and Conditions.

a. Assignment. You may not assign this Agreement.

- b. **Governing Law.** This Agreement is governed by, and shall be construed in accordance with, the laws of the State of North Carolina, except that any conflict of laws rule of that jurisdiction that may require reference to the laws of some other jurisdiction shall be disregarded. Any lawsuit brought to enforce any provision of this Agreement shall only be brought in a state court in Stanly County, North Carolina, or the nearest federal court to said County.
- c. **Severability.** If one or more provision(s) of this Agreement is or are held to be invalid, illegal or unenforceable under applicable law, the offending portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this Agreement, and the balance of this Agreement shall be enforceable in accordance with its terms.
- d. **Contact by Bank.** No Bank employee, or any company affiliated with the Bank, will contact you via e-mail or phone requesting your account information or security information. If you are contacted by anyone requesting this information, please contact us immediately.
- e. **Security Interest.** You grant the Bank a security interest in all accounts or other deposits (whether general or special) you have with the Bank, and in all funds in such accounts or other deposits, to secure your obligations to the Bank under this Agreement. This security interest will survive termination of this Agreement. In addition to any other rights we may have under other agreements with you, we may hold any funds on deposit with us by you after termination of this Agreement for up to **14 calendar days** following the expiration of any return or chargeback rights regarding any Remote Item processed by the Bank using the Services or, if later, until any other claims to such funds have expired.
- f. **Waivers.** Any waiver by us must be in writing to be effective. Our waiver of any right will not be deemed a waiver of other rights or of the same right at another time.
- g. **Headings.** The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

By clicking on the “**Accept**” link, you do the following:

1. You represent to the Bank that the device you intend to use in connection with Services meets the requirements above;
2. You agree to receipt of this Agreement and all updates to this Agreement in electronic form;
3. You represent that you have read this Agreement and understand its terms and conditions; and
4. You agree to the terms and conditions in this Agreement (Note: clicking “**Accept**” below is just as binding as manually signing the Agreement).