

BANKPACIFIC, LTD.

MOBILE DEPOSIT CAPTURE USER AGREEMENT

This Mobile Deposit Capture User Agreement (“Agreement”) contains the terms and conditions for the use of BankPacifc’s Mobile Deposit Capture Service (“Service” or “Services”) that BankPacifc, Ltd. (“BankPacifc”, the “Bank”, “Us”, “Our”, or “We”) may provide to You (“You”, “Your”, or “User”). Other agreements You have entered into with BankPacifc as applicable to Your BankPacifc account(s), are incorporated by this reference and made a part of this Agreement, including the Your Deposit Account Terms and Conditions, Electronic Transfers, Funds Availability, and Truth in Savings Disclosures.

Use of Service

The Services are designed to allow You to make deposits to Your checking, savings, or money market account(s) from home or other remote locations by capturing the image of a check (front and back) and delivering the images and associated deposit information to BankPacifc for processing.

Acceptance of Agreement

Use of these Services requires Bank approval for a Services enrollment request submitted by You via Your mobile device. Following receipt of Our notification approving Your use of the Services, You are authorized by Us to electronically transmit digital images of a paper check to Your account with Us. Your use of the Services constitutes Your acceptance of this Agreement. This Agreement is subject to change at any time. We will notify You of any material change by providing a link to the revised Agreement within the Mobile Deposit Service option via BankPacifc’s mobile banking app. Your continued use of the Services will indicate Your consent to be bound by the revised Agreement. Further, BankPacifc 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.

Compliance with Law

You agree to use the Services for lawful purposes and in compliance with all applicable laws, rules and regulations, as well as all laws pertaining to the conduct of Your business, if applicable. 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. You promise to indemnify and hold BankPacifc harmless from any damages, liabilities, cost, expenses (including attorney’s fees) or other harm arising out of any violation thereof. This indemnity will survive termination of Your Account and this Agreement.

Unavailability of Service

You understand and agree that the Services may at times be temporarily unavailable due to system maintenance or technical difficulties including those of the Internet service provider, cellular service provider and Internet Software. We will attempt to post alerts on Our Website or send you an email message to notify You of these interruptions in Service. We cannot assume responsibility 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. In the event that the Services are unavailable, You acknowledge that You can deposit an original check at one of our branches during normal business hours, or through a BankPacifc owned ATM where deposits are accepted, or by mailing the original check to Us at BankPacifc, P.O. Box 2888, Hagatna, GU 96932.

Hardware and Software

You understand that in order to use the Services, You must obtain and maintain, at Your expense, compatible hardware and software set forth by Us. (Android 4 or higher, iPhone 5 or higher, iOS 8.4 or higher). 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. You are responsible for obtaining, maintaining and securing access to the Internet for purposes of accessing the Services.

BankPacific is not responsible for any loss or damages resulting from any errors or failures of Your mobile device, including any mobile device virus or malware attack, any attack by a person attempting to gain unauthorized access to Your mobile device, or any mobile device network problems You encounter when You use the Service. When You use the Service, You may experience technical or other difficulties. BankPacific cannot assume responsibility for any technical or other difficulties or any resulting damages that may occur, and You hereby release BankPacific from any and all claims or damages resulting from, or related to technical or other difficulties, including viruses, malware, and cellular phone service problems.

Internet Disclaimer

BankPacific does not, and cannot, control the flow of any documents, files, data or other information via the Internet, whether to or from the Bank's network, other portions of the Internet or otherwise. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt Your connection to the Internet (or portions thereof). BankPacific cannot guarantee that such events will not occur. Accordingly, BankPacific disclaims any and all liability arising out of, resulting from or related to, such events, and You agree not to hold BankPacific liable for any damages of any kind (whether in contract, in tort or otherwise) that are attributable or in any way related to the Internet or cellular phone infrastructure or Your or BankPacific's ability or inability to connect to the Internet.

Fees

BankPacific currently offers the benefits and convenience of the Service to You at no additional charge; however, BankPacific reserves the right to charge fees for the Service in the future. In the event that there are fees associated with the Services, You will be notified before completing any activity within the Service that may trigger such fees. You are responsible for any return check fees, overdraft fees or other account-related fees as disclosed in Your Deposit Account Terms and Conditions and Truth in Savings Disclosure associated with Your account(s). You are responsible for the costs of any communication lines and any data processing charges payable to third parties. Texting and data rates may apply and You should check with Your provider for such charges.

Check Image Quality

Any image of a check that You transmit to Us must be legible, as determined in the sole discretion of BankPacific. Without limiting the foregoing, the image quality of the items must comply with the requirements established from time to time by the Bank, the Board of Governors of the Federal Reserve Board, or any other federal regulatory agency, clearing house or association.

Endorsement Requirements

You agree to restrictively endorse any and all checks that You transmit through the Services. Prior to capturing an image of the original check, You agree to endorse the back of the original check and include with Your signature the restrictive words, "For Mobile Deposit Only" and Your account number. These requirements are to help ensure that an electronically deposited check is not processed multiple times, either as an electronic item and/or a physical check. Your mobile deposit may not be approved if check(s) are not endorsed in this manner. Marking a check in this way will also allow you to identify that an item has been imaged and deposited if it becomes intermingled with Your other checks not yet deposited. Endorsements must be made on the back of the check within 1.5 inches from the top edge, although the Bank may at its sole discretion 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. 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.

Eligible Checks

You agree to scan and deposit only “checks” as that term is defined in Federal Reserve Regulation CC (“Reg CC”). When the image of the check transmitted to the Bank is converted to an image 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 scan and 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 and its Territories.
- Checks that are remotely created checks, as defined in Reg CC.
- Checks not payable in United States currency.
- Checks dated more than six (6) months prior to the date of deposit.
- Checks or items prohibited by the Bank’s current procedures relating to the services or which are otherwise not acceptable under the terms of Your Deposit Account agreement.
- 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 any other financial institution.
- Checks that have been previously deposited or negotiated in any way via any method at BankPacific or any other financial institution.

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 that the transmission was error free, complete or will be considered a deposit and credited to Your account. We further reserve the right to charge back to Your account at any time, any item that We subsequently determine was not an eligible item. You agree that the Bank is not liable for any loss, costs, or fees You may incur as a result of our chargeback of an ineligible item.

Funds Availability

You understand and agree that all deposits made via the Service are subject to the Bank’s Funds Availability disclosure provided at account opening. For Your reference, Our Funds Availability disclosure is available on the Bank’s Website and within the Bank’s Mobile Banking app. Funds deposited using this Service will generally be made available on the first business day after the day of deposit.

For determining the availability of Your mobile deposits, every day is a business day, except Saturdays, Sundays, federal and local holidays. If You make a mobile deposit before the Bank closes on a business day that We are open, We will consider that day to be the day of Your deposit. However, if You make a deposit after closing or on a day We are not open, We will consider that the deposit was made on the next business day We are open. BankPacific’s normal business hours are as follows:

	Open	Close
Monday thru Thursday	9:00 am (Chst)	4:00 pm (Chst)
Friday	10:00 am (Chst)	6:00 pm (Chst)

Case-by-case delays. In some cases, depending on the type of check that You deposit, We will not make all the funds available to You on the same day that it is received. We will notify You if We delay Your ability to withdraw funds and tell You when the funds will become available. Circumstances that may result in the unavailability of Your deposited funds includes, but is not limited to:

- We believe the check will not be paid,
- Your deposited check exceeds established limit(s),
- You redeposit a check that has been returned unpaid,
- You have overdrawn your account repeatedly in the last six (6) months, and
- There is an emergency, such as failure of communications or computer equipment.

Retention and Disposal of Original Checks

You agree to securely store each original check submitted via the Service for a Retention Period of seven (7) calendar days from the date of the mobile deposit submission. During the Retention Period, You shall ensure that:

- Your deposit has successfully posted to Your account on the next business day and if your deposit has not posted to Your account You shall promptly notify the bank
- Only an account holder has access to the original checks,
- The information contained on such checks shall be stored securely,
- Such checks will not be duplicated or submitted more than one time (unless original submission was unsuccessful and resubmission has been approved by the Bank),
- Such checks will not be deposited or negotiated in any form.
- At Your discretion, You agree to fully destroy Your original check(s) after expiration of a seven (7) calendar day Retention Period from date the check posting to Your Account. Suggested methods for destruction are by fire or by shredding.

Mobile Deposit Limits

We reserve the right to and may establish limits on the dollar amount and/or number of items or deposits from time to time. If You attempt to initiate a deposit in excess of these limits, We may reject Your deposit. If We permit You to make a deposit in excess of these limits such deposit will still be subject to the terms of this Agreement, and We will not be obligated to allow such a deposit at other times.

Errors

You agree to immediately notify the Bank of any suspected errors regarding items deposited through the Service, and in no event later than 30 days after the applicable account statement is sent. Unless You notify the Bank within 30 days, such statement regarding all deposits made through the Service shall be deemed correct, and You are prohibited from bringing a claim against the Bank for such alleged error.

Errors in Transmission

By using the Services You accept the risk that an item may be intercepted or misdirected during transmission. The Bank bears no liability to You or others for any such intercepted or misdirected items or information disclosed through such errors.

User Warranties and Indemnification

You warrant to the Bank that:

- You will only transmit eligible items.
- You will not transmit duplicate items.

- You will not re-deposit or re-present the original item.
- All information You provide to the Bank is accurate and true.
- You will comply with this Agreement and all applicable rules, laws, and regulations.
- You are not aware of any factor which may impair the collectability of the item.
- You agree to indemnify and hold harmless the Bank from any loss for breach of this warranty provision.

You agree to indemnify, defend, and hold BankPacific harmless from any loss resulting from Your breach of these promises, including any loss or cost We incur as a result of accepting and processing a check or item You submit to Us through the Service.

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 the Service in Your possession and Your records relating to such items and transmissions.

Termination

We may terminate this Agreement at any time, for any reason, and without notice. This Agreement shall remain in full force and effect unless and until it is terminated by Us. Without limiting the foregoing, this Agreement may be terminated if You breach any term of this Agreement, if You use the Services for any unauthorized or illegal purposes or You use the Services in a manner inconsistent with the terms of Your account agreement or any other agreement with Us.

Enforceability

We may waive enforcement of any provision of this Agreement. No waiver of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of the Agreement. Any such waiver shall not affect Our rights with respect to any other transaction or to modify the terms of this Agreement. In the event that any provision of this Agreement shall be deemed to be invalid, illegal, or unenforceable to any extent, the remainder of the Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

Ownership & License

You agree that BankPacific 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, any breach of this Agreement immediately terminates Your right to use the Services. Without limiting the restriction of the foregoing, You may not use the Services (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to BankPacific's business interest, or (iii) to BankPacific's actual or potential economic disadvantage in any aspect. You may use the Services only 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.

INDEMNIFICATION AND RELEASE

YOU AGREE TO DEFEND, INDEMNIFY AND HOLD HARMLESS BANKPACIFIC, OUR SERVICE PROVIDERS AND EACH OF THEIR PARENT COMPANIES, AFFILIATES AND SUBSIDIARIES AND THE DIRECTORS, OFFICERS, AGENTS, MANAGERS, MEMBERS, EMPLOYEES AND CONTRACTORS OF EACH OF THEM, FOR ANY LOSS, DAMAGE, CLAIM OR DEMAND (INCLUDING ATTORNEYS' FEES) MADE OR INCURRED BY ANY THIRD PARTY DUE TO OR ARISING OUT OF YOUR BREACH OF THIS AGREEMENT AND/OR YOUR USE OF THE SERVICES.

YOU RELEASE BANKPACIFIC AND OUR SERVICE PROVIDERS AND EACH OF THEIR PARENT COMPANIES, AFFILIATES AND SUBSIDIARIES AND THE DIRECTORS, OFFICERS, AGENTS, MANAGERS, MEMBERS EMPLOYEES AND CONTRACTORS OF EACH OF THEM, FROM ANY AND ALL CLAIMS, DEMANDS, AND DAMAGES (ACTUAL AND CONSEQUENTIAL) OF EVERY KIND AND NATURE ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY DISPUTE THAT MAY ARISE BETWEEN YOU OR ONE OR MORE OTHER USERS OF THE SERVICES.

DISCLAIMER OF WARRANTIES

YOU AGREE YOUR USE OF THE SERVICES 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 THE SERVICES, 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 THE SERVICES (i) WILL MEET YOUR REQUIREMENTS, (ii) WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, (iii) THE RESULTS THAT MAY BE OBTAINED FROM THE SERVICE WILL BE ACCURATE OR RELIABLE, AND (iv) ANY ERRORS IN THE SERVICES OR TECHNOLOGY WILL BE CORRECTED.

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 RESULTING FROM THE USE OR THE INABILITY TO USE THE SERVICES 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 THIS SERVICES, REGARDLESS OF THE FORM OF ACTION OR CLAIM (WHETHER CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE), EVEN IF BANKPACIFIC HAS BEEN INFORMED OF THE POSSIBILITY THEREOF.