

Northway Bank

Mobile Deposit Addendum - Effective Through October 18, 2022

Changes in Mobile Deposit Service take effect October 19, 2022.

For Agreement effective October 19, 2022, go to page 11.

Addendum to the Online Banking Agreement

This Mobile Deposit Addendum (the “Addendum”) to the Northway Bank Online Banking Agreement (the “Agreement”) contains the terms and conditions under which Northway Bank (the “Bank”) permits Northway Bank Online Banking (“Online Banking”) users to make deposits to checking, savings, or money market accounts at Bank using an approved Mobile Device (as defined and described below) by photographing checks (“Checks”) and delivering the images and associated deposit information to Northway Bank or Northway Bank’s designated processor as described below, (the “Mobile Deposit Service” or the “Service”). ***By registering for the Service and by clicking the "I agree" button, you agree to all of the terms and conditions of this Addendum. Please read this Addendum carefully and keep it for your records.***

1. This Addendum. This Addendum is incorporated by reference into the Agreement and governs Customer’s use of the Service. In the event of a conflict or inconsistency between this Addendum and the Agreement, the terms of this Addendum and any amendment hereto from time to time shall control unless otherwise provided in this Addendum and only to the extent necessary to resolve such conflict. Except as modified by this Addendum, the Agreement remains in full force and effect. In this Addendum, “Customer” and “you” refer to the Online Banking user who has registered for the Service, and the terms “we,” “us” and “our” refer to Bank. Unless otherwise defined in this Addendum, all undefined terms shall have the meanings given to them in the Agreement. This Addendum governs only the Service, and it shall not be construed to apply to other products or services.

2. Registration for the Service. In order to use the Service, you must: (a) be enrolled in Online Banking; and (b) have an eligible mobile communications device, which may include a mobile phone or a tablet (a “Mobile Device”). Although the Service is phone device agnostic and will work with certain Mobile Devices (as described below), the registration process may require you to provide information about the Mobile Device that you will generally use for the Service, as well as the telephone number for your Mobile Device (if applicable), the telecommunications carrier that provides service to your Mobile Device, and your email address. ***It is your responsibility to provide Bank with accurate, complete and current information about you and your Mobile Device (including its telephone number, the telecommunications carrier, and your email address), and to notify Bank immediately if any of this information changes or if service to your Mobile Device is terminated.*** Bank reserves the right to refuse or cancel your registration for the Service if Bank cannot verify information about you and/or your Mobile Device.

3. The Service. With the Service, you may use your Mobile Device to make deposits to your checking, savings, or money market accounts at Bank using an approved Mobile Device by photographing and delivering the images and associated deposit information to Bank or Bank’s designated processor.

4. Eligibility Requirements. In order to qualify for the Service you must meet specific overdraft and returned item history requirements on all of your accounts with the Bank.

4.1 Eligibility Requirements for consumer accounts:

- You must have less than two (2) overdraft occurrences in the last 90 days and
- You must have less than two (2) returned items in the last 90 days
- You must be the owner or joint owner of the account eligible for the Service

4.2 Eligibility Requirements for business accounts:

- You must have less than two (2) overdraft occurrences in the last 90 days and
- You must have less than five (5) returned items in the last 90 days
- You must be the owner or an authorized signer of the Account that is eligible for the Service

5. Mobile Device Requirements. Customer understands that it must, and hereby agrees, at its sole cost and expense, to use a Mobile Device that meets all technical requirements for the proper delivery of a deposit via the Service and that fulfills Customer's obligation to obtain and maintain secure access to the Internet. Customer understands and agrees it may also incur, and shall pay, any and all expenses related to the use of the Service, including, but not limited to, telephone service or Internet service charges. Customer is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Service. Customer understands and agrees that it is solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Service and the cost thereof, and Customer hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements. Bank is not responsible for, and Customer hereby releases Bank from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. Bank is not responsible for, and Customer hereby releases Bank from, any and all claims or damages resulting from, or related to, defects in or malfunctions of Customer's Mobile Device and/or any associated hardware or software, or failures of or interruptions in any electrical, telephone or Internet services. Bank hereby advises Customer, and Customer hereby agrees to scan its Mobile Device and/or any associated hardware or software on a regular basis using a reliable virus detection product in order to detect and remove viruses.

6. Business Days and Hours of Operation. For the purposes of this Addendum, the term "Business Day" has the meaning set forth in the Agreement. You can use your Mobile Device to access the Service 24 hours a day, seven days a week, and processing of an item will be in accordance with this Addendum, including applicable cut-off times as provided in Section 12 below; however, your access to Online Banking and the Service may be restricted during regular daily maintenance periods and any special maintenance periods.

7. Service Fees. There is no fee for the Service. The Bank reserves the right to add or modify fees for this Service, and if we do so, we will notify you as required by law. You may incur charges to receive Internet, cellular or other data service on your Mobile Device for which you are solely responsible.

8. Limitations of Service. When using the Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. The Service may 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 Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you.

9. Eligible items. You agree that you will use the Service to deposit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"), that are payable to, and indorsed by, you. You agree that the image of the check transmitted to shall be deemed an "item" within the meaning of **Article**

4 of the Uniform Commercial Code (“UCC”) and you are bound by all applicable provisions of the UCC.

You agree that you will not use the Service to photograph and deposit any checks or other items as shown below which shall be considered ineligible items:

- i. Checks payable to a third party (rather than to Customer, unless Bank agrees in writing otherwise with respect to Customer’s Designated Affiliates);
- ii. Remotely-created checks, or remotely-created payment orders deposited into or cleared through the check clearing system;
- iii. Checks drawn on banking institutions outside the U.S. or in currencies other than U.S. Dollars;
- iv. Irregular checks (e.g., where the numerical and written amounts are different);
- v. Previously-returned checks;
- vi. Checks payable to or in cash;
- vii. Checks exceeding any Customer transaction or file limits as Bank may establish from time to time;
- viii. Checks that Customer knows or suspects, or should know or suspect, are altered on the front of the item, fraudulent or otherwise not authorized by the owner of the account on which the checks/items are drawn;
- ix. Checks that have any endorsement on the back other than that specified in or otherwise required by this Appendix;
- x. Checks that have been previously submitted through the Service or through a remote deposit capture service offered at any other financial institution;
- xi. Checks that are drawn or otherwise issued by the U.S. Treasury Department;
- xii. Checks that are postdated or more than six (6) months old; and
- xiii. Checks that are not acceptable to Bank for deposit into an Account as provided in the Account Agreement, or are in violation of any law, rule or regulation.

10. Image Quality.

10.1 The image of an item transmitted to using the Service must be legible, including the MICR data. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association.

10.2 Customer is solely responsible for the inspection of all electronic items to ensure legibility of the Check image and all information on an original Check is accurately photographed and legible. Customer acknowledges that image technology may not capture all security features contained in the original Check(s) and agrees to assume any and all losses resulting from claims based on security features that do not survive the image process. Customer acknowledges that Bank does not verify or inspect the accuracy, legibility or quality of the electronic item prior to processing an electronic item. Bank reserves the right in its sole discretion at any time to correct, alter or amend data submitted in an electronic item in accordance with general banking and check collection practices to facilitate processing of the Check, but Bank shall have no obligation to effect such a repair.

11. Endorsements and Procedures.

11.1 You agree to endorse any item transmitted through the Service with your signature and to write “FOR MOBILE DEPOSIT ONLY, NORTHWAY BANK ACCOUNT #” followed by the last 3 digits

of the account number you are depositing into, or as otherwise instructed by Bank from time to time. You agree to follow any and all other procedures and instructions for use of the Service as Bank may establish from time to time. Any loss we incur from a delay, processing error or any other action resulting from an irregular endorsement or other markings by you will be your responsibility.

11.2 If the back of any item includes language such as: ☐ CHECK HERE AFTER MOBILE OR REMOTE DEPOSIT, Customer must check the box after submitting the item for deposit via the Service.

11.3 A Check payable to two payees must be endorsed by both 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 your joint owner, both of you must endorse the Check and it must be deposited into an account owned by both of you.

12. Receipt of Items.

12.1 Bank reserves the right to reject any item transmitted through the Service, in its sole and exclusive discretion, without liability to you. Bank is not responsible for items we do not receive or for images that are dropped during transmission. If Bank rejects an item due to image quality, you will be notified that we cannot read the check and you will be required to re-take the photo. An image of an item shall be deemed received when you receive a confirmation from Bank that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or 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.

12.2 Bank reserves the right at any time to refuse the deposit or processing of an electronic item, and to return same to Customer without prior notice. Bank may request that Customer deposit the original Check for processing and collection, instead of the electronic item. Bank shall not be liable to Customer for (i) failure to process or collect an electronic item; (ii) any error that results in processing or collecting an electronic item because of Customer's failure to provide Bank with full and correct data or dollar amount from the original Check, or an accurate and legible of the original Check; and (iii) any Check that violates this Addendum, or any other agreement between Customer and Bank. Customer agrees that Bank may charge the account of Customer for any and all returned items that relate to original Check(s) deposited with Bank.

13. Availability of Funds. You agree that items transmitted using the Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. In general, if an image of an item you transmit through the Service is received and accepted before **5:00 p.m.** Eastern Time on a business day that we are open, we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are open. Bank may delay availability of funds based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as Bank, in its sole discretion, deems relevant. In addition, Customer agrees to follow The Check Clearing for the 21st Century Act, as it may be amended from time to time, and Regulation CC of the Federal Reserve Board ("Check 21 Act") for all checks deposited where applicable.

14. Disposal of Transmitted Items.

14.1 Customer must securely store any original Check for 14 Calendar Days after transmission to Bank and make any original Check accessible to Bank at Bank's request. Upon Bank's request from

time to time, Customer will deliver to Bank within two (2) Business Days, at Customer's expense, the requested original Check in Customer's possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after such 30-day period expires, Customer 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 an original Check, the Image will be the sole evidence of the original Check.*

Customer agrees that it will never deposit the original Check or present the original Check to Bank or anyone else for payment. Customer understands that it is responsible if anyone is asked to make a payment based on an original Check that has already been paid.

14.2 Customer also agrees to review and validate the accuracy of the Check data captured including the amount of the check and the legibility of the check image through the Service prior to transmission of the image. Customer will carefully examine any statement, notification or confirmation of a transaction and notify Bank within thirty (30) days of the statement date of any errors, discrepancies or fraudulent transactions. Customer agrees that thirty (30) days is a commercially reasonable time for Customer to notify Bank of errors, discrepancies or fraudulent transactions, unless any other agreements, laws, rules or regulations provide for a shorter time.

15. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Service and to modify such limits from time to time in our sole discretion. 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 Addendum, and we will not be obligated to allow such a deposit at other times.

15.1 For consumer accounts - The current daily dollar limit is \$3,000.00 with a limit of ten (10) eligible items. The monthly limit is \$5,000.00 with a limit of ten (10) eligible items. Daily and multi-day deposit dollar and count limits may vary and are subject to change at the discretion of Bank.

15.2 For business accounts - The current daily dollar limit is \$5,000.00 with a limit of ten (10) eligible items. The monthly limit is \$25,000.00 with a limit of twenty (20) eligible items. Daily and multi-day deposit dollar and count limits may vary and are subject to change at the discretion of Bank.

Bank may increase your deposit limits based on the eligibility requirements described in Section 15 in Bank's sole and exclusive discretion.

16. Increasing Deposit Limits. If you wish to increase your deposit limits, you must call Customer Service at 800-442-6666 or visit any Bank branch location.

16.1 In order to qualify for increased deposit limits on your use of the Service, you must meet specific requirements.

16.1.1 Eligibility to Increase Deposit Limits for Consumer Accounts:

- You must have been an account holder with the Bank for at least six (6) months.
- You must have had this Service for at least six (6) months.
- You must have reached the deposit limits for at least three (3) of the past six (6) months.

- You must have less than two (2) overdraft occurrences in the last 180 days; and
- You must have less than (two) 2 returned items in the last 180 days.

16.1.2 Eligibility to Increase Deposit Limits for Business Accounts:

- You must have been an account holder with the Bank for at least six (6) months.
- You must have had this Service for at least six (6) months.
- You must have reached the deposit limits for at least three (3) of the past six (6) months.
- You must have less than two (2) overdraft occurrences in the last 180 days; and
- You must have less than five (5) returned items in the last 180 days.

16.2 If you meet the eligibility requirements for increased deposit limits listed above, your deposit limit will be increased as follows:

16.2.1 Increased deposit limits for consumer accounts - The current daily dollar limit is \$5,000.00 with a limit of ten (10) eligible items. The monthly limit is \$10,000.00 with a limit of fifteen (15) eligible items. Daily and multi-day deposit dollar and count limits may vary and are subject to change at the discretion of Bank.

16.2.2 Increased deposit limits for business accounts - The current daily dollar limit is \$10,000.00 with a limit of fifteen (15) eligible items. The monthly limit is \$50,000.00 with a limit of thirty (30) eligible items. Daily and multi-day deposit dollar and count limits may vary and are subject to change at the discretion of Bank.

17. Returned Deposits. Any credit to your account for Checks deposited using this Service is provisional. If original Checks deposited through this Service 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.

18. 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.

19. Hardware and Software. In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by Bank from time to time. Bank is not responsible for any third-party software you may need to use the Service. 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.

20. Errors. You agree to notify Bank of any suspected errors regarding items deposited through the Service right away, and in no event later than 60 days after the applicable Bank account statement made available to you. Unless you notify Bank within 60 days, such statement regarding all deposits made through the Service shall be deemed correct, and you are prohibited from bringing a claim against Bank

for such alleged error. Consumers should refer to the Electronic Fund Transfers disclosure for additional information relating to liability.

21. Errors in Transmission. By using the Service, you accept the risk that an item may be intercepted or misdirected during transmission. Bank bears no liability to you or others for any such intercepted or misdirected items or information disclosed through such errors.

22. Presentment. The manner in which the items are cleared, presented for payment, and collected shall be in Bank's sole discretion subject to the terms and conditions governing your account.

23. Ownership & License. You agree that Bank retains all ownership and proprietary rights in the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Addendum. Without limiting the effect of the foregoing, any breach of this Addendum immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Service (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to Bank's business interest, or (iii) to Bank's actual or potential economic disadvantage in any aspect. You may use the Service only for business or personal use as approved by Bank and 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 Service.

24. Audit/Cooperation with Investigations. We may periodically audit and verify your compliance with this Addendum. You agree 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 deposited through the Service in your possession and your records relating to such items and transmissions.

25. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICE 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 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 THE SERVICE (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 SERVICE OR TECHNOLOGY WILL BE CORRECTED.

26. LIMITATION OF LIABILITY. IN ADDITION TO LIMITATIONS ON USE OF THE SERVICE AS PROVIDED IN SECTION 31 BELOW, 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 SERVICE 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 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.

27. User warranties. You represent and warrant to Bank that:

- a. You will only transmit eligible items.
- b. Images will meet the image quality standards as required in this Addendum.
- c. You will not transmit duplicate items.
- d. You will not deposit, negotiate or represent the original item unless requested by Bank in writing.
- e. All information contained in or regarding the item you provide to Bank is accurate and true.
- f. You will only transmit items that are drawn on or payable at or through banks located with the United States.
- g. You will properly secure the Mobile Device to prevent unauthorized use.
- f. You will comply with this Addendum and all applicable rules, laws and regulations.

28. User Security. You will be able to access the Service by entering a user name and password, or other unique identifier that may be required (“Authentication Procedures”). You agree to keep your Mobile Device secure and to close your mobile banking application when not in use. If you suspect your Mobile Device has been lost or stolen, or your Online Banking has been accessed by someone other than yourself, you must notify Bank immediately by calling 800-442-6666.

Although the Service will not display the full account number for any of your accounts, it may display other sensitive information about your accounts, including account activity, balances and transfer amounts. The Service may not be encrypted. You agree to protect your Mobile Device that receives information through the Service and not to let any unauthorized person have access to the information Bank provides to you through the Service. Bank will not be liable for losses or damages caused in whole or in part by your actions or omissions that result in any disclosure of account information to third parties.

FAILURE TO PROTECT YOUR MOBILE DEVICE AND ACCOUNT NUMBERS AS WELL AS ANY AUTHENTICATION PROCEDURES TO ACCESS THE SERVICE MAY ALLOW AN UNAUTHORIZED PARTY TO ACCESS THE SERVICE AND TRANSMIT AN ITEM FOR DEPOSIT. ALL USERS OF THE SERVICE USING YOUR AUTHENTICATION PROCEDURES WILL BE DEEMED TO BE USERS AUTHORIZED BY YOU AND BE BINDING UPON YOU.

29. Biometric Access. Depending on your Mobile Device, you may have the option to use a biometric feature (such as a fingerprint scanner) on your Mobile Device to authenticate your identity and gain access to the Service. If you choose to activate a biometric feature on your device, it is your responsibility to control access to the Service. You acknowledge that any person who has a biometric feature stored in your device will be able to access the Service if you have this option turned on.

30. Liability. You agree to indemnify, defend and hold Bank and its respective directors, officers, employees, and agents (collectively, “Indemnitees”) harmless from and against any and all claims, losses, liability, cost and expenses (including reasonable attorneys' fees) arising directly or indirectly from or related to the following (except for losses and liabilities related to our own gross negligence or willful misconduct):

- a. Any negligent or intentional act or omission by you in the performance of your obligations under this Addendum, including, but not limited to (i) duplicate photographing of the same check or item, (ii) transmission of duplicate items, (ii) fraudulent or unauthorized use of your Mobile Device or security credentials.

b. Any material breach in a representation, warranty, covenant, or obligation of you contained in this Addendum.

c. The violation of any applicable federal, state or local law, regulation or ordinance when accessing the Service.

d. Your failure to securely maintain your Mobile Device or the original check or item, or properly disposing of the original item after depositing it through the Service.

Your obligation under this paragraph shall survive termination of the Addendum.

31. Periodic Statements. You agree that you are responsible for reviewing promptly each periodic statement on account linked to the Service in order to detect any unauthorized transactions and to ensure deposits were accurately transmitted.

32. Limitations on Use of the Service. There are certain limitations of the Service. Because the Service is accessible only through a Mobile Device, your access to the Service may be limited by the service provided by the applicable telecommunications carrier. ***Bank does not guarantee: (a) either the delivery or the accuracy of any information requested or provided through the Service; or (b) that you will have continuous or uninterrupted access to the Service. Bank is not responsible for any delay, failure or error in the transmission or content of text messages through the Service. Bank will not be liable for damages arising from the non-delivery, delayed delivery, or wrong delivery of any information through the Service, from any inaccurate information provided through the Service, from your use of or reliance on any information provided through the Service, or from your inability to access the Service.***

33. Changing this Addendum. Bank may make changes to the Service and your continued use of the Service following the effective date of a change constitutes your acceptance of the change. You will be notified at least thirty (30) days prior to any changes to the Service.

34. Terminating the Service.

34.1 Either you or Bank may terminate the Addendum or the Service provided under this Addendum at any time. If Bank terminates the Service, we may notify you as provided in the Online Banking Agreement.

34.2 Bank may terminate your Service, if you have:

- Not used the Service for at least twelve (12) months
- Abused one or more of your accounts, including:
 - Two (2) or more overdraft occurrences in the last 90 days
 - Two (2) or more returned items in the last 90 days for consumer or five (5) or more returned items in the last 90 days for businesses
- Deposited any ineligible items as referenced in Section 8 above
- Or any other reason determined by the Bank

Bank is not responsible for notifying any remaining account holders of the termination. Bank may end your right to use the Service for any reason and at any time without telling you. If either you or Bank ends your right to use the Service, you will remain obligated to Bank for all of your Service transactions, even if they occur or are completed after the Service has been terminated.

35. Contacting Bank. For help or information about the Service, call Bank's Customer Service Center at 800-442-6666. You will never receive a message from Bank that asks you to send Bank any sensitive personal or financial information such as your social security number or your account number. If you ever receive such a request for sensitive personal or financial information, do not respond to the message and call Bank at 800-442-6666 to report the incident.

36. Changes to Your Contact Information. It is solely your responsibility to ensure that the contact information you have provided to Bank is current and accurate. This includes your name, address, other account numbers and e-mail address.

Effective March 1, 2019

Northway Bank

Mobile Deposit Addendum – Effective October 19, 2022

Addendum to the Online Banking Agreement

This Mobile Deposit Addendum (the “Addendum”) to the Northway Bank Online Banking Agreement (the “Agreement”) contains the terms and conditions under which Northway Bank (the “Bank”) permits Northway Bank Online Banking (“Online Banking”) users to make deposits to checking, savings, or money market accounts at Bank using an approved Mobile Device (as defined and described below) by photographing checks (“Checks”) and delivering the images and associated deposit information to Northway Bank or Northway Bank’s designated processor as described below, (the “Mobile Deposit Service” or the “Service”). ***By registering for the Service and by clicking the "I agree" button, you agree to all of the terms and conditions of this Addendum. Please read this Addendum carefully and keep it for your records.***

1. This Addendum. This Addendum is incorporated by reference into the Agreement and governs Customer’s use of the Service. In the event of a conflict or inconsistency between this Addendum and the Agreement, the terms of this Addendum and any amendment hereto from time to time shall control unless otherwise provided in this Addendum and only to the extent necessary to resolve such conflict. Except as modified by this Addendum, the Agreement remains in full force and effect. In this Addendum, “Customer” and “you” refer to the Online Banking user who has registered for the Service, and the terms “we,” “us” and “our” refer to Bank. Unless otherwise defined in this Addendum, all undefined terms shall have the meanings given to them in the Agreement. This Addendum governs only the Service, and it shall not be construed to apply to other products or services.

2. Registration for the Service. In order to use the Service, you must: (a) be enrolled in Online Banking; and (b) have an eligible mobile communications device, which may include a mobile phone or a tablet (a “Mobile Device”). Although the Service does not depend on the type of phone you are using and will work with certain Mobile Devices (as described below), the registration process may require you to provide information about the Mobile Device that you will generally use for the Service, as well as your first and last name, the telephone number for your Mobile Device (if applicable), the telecommunications carrier that provides service to your Mobile Device, and your email address. ***It is your responsibility to provide Bank with accurate, complete, and current information about you and your Mobile Device (including its telephone number, the telecommunications carrier, your first and last name, and your email address), and to notify Bank immediately if any of this information changes or if service to your Mobile Device is terminated.*** Bank reserves the right to refuse or cancel your registration for the Service if Bank cannot verify information about you and/or your Mobile Device.

3. The Service. With the Service, you may use your Mobile Device to make deposits to your checking, savings, or money market accounts at Bank using an approved Mobile Device by photographing and delivering the images and associated deposit information to Bank or Bank’s designated processor.

4. Mobile Device Requirements. Customer understands that it must, and hereby agrees, at its sole cost and expense, to use a Mobile Device that meets all technical requirements for the proper delivery of a deposit via the Service and that fulfills Customer’s obligation to obtain and maintain secure access to the Internet. Customer understands and agrees it may also incur, and shall pay, any and all expenses related to the use of the Service, including, but not limited to, telephone service or Internet service charges. Customer is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Service.

Customer understands and agrees that it is solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Service and the cost thereof, and Customer hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements. Bank is not responsible for, and Customer hereby releases Bank from, any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. Bank is not responsible for, and Customer hereby releases Bank from, any and all claims or damages resulting from, or related to, defects in or malfunctions of Customer's Mobile Device and/or any associated hardware or software, or failures of or interruptions in any electrical, telephone or Internet services. Bank hereby advises Customer, and Customer hereby agrees to scan its Mobile Device and/or any associated hardware or software on a regular basis using a reliable virus detection product in order to detect and remove viruses.

5. Business Days and Hours of Operation. For the purposes of this Addendum, the term "Business Day" has the meaning set forth in the Agreement. You can use your Mobile Device to access the Service 24 hours a day, seven days a week, and processing of an item will be in accordance with this Addendum, including applicable cut-off times as provided in Section 12 below; however, your access to Online Banking and the Service may be restricted during regular daily maintenance periods and any special maintenance periods.

6. Service Fees. There is no fee for the Service. The Bank reserves the right to add or modify fees for this Service, and if we do so, we will notify you as required by law. You may incur charges to receive Internet, cellular or other data service on your Mobile Device for which you are solely responsible.

7. Limitations of Service. When using the Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. The Service may 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 Service, in whole or in part, or your use of the Service, in whole or in part, immediately and at any time without prior notice to you.

8. Eligible items. You agree that you will use the Service to deposit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"), that are payable to, and indorsed by, you. You agree that the image of the check transmitted to Bank shall be deemed an "item" within the meaning of **Article 4 of the Uniform Commercial Code ("UCC")** and you are bound by all applicable provisions of the UCC.

You agree that you will not use the Service to photograph and deposit any checks or other items as shown below which shall be considered ineligible items:

- xiv. Checks payable to a third party (rather than to Customer, unless Bank agrees in writing otherwise with respect to Customer's Designated Affiliates);
- xv. Remotely-created checks, or remotely-created payment orders deposited into or cleared through the check clearing system;
- xvi. Checks drawn on banking institutions outside the U.S. or in currencies other than U.S. Dollars;
- xvii. Irregular checks (e.g., where the numerical and written amounts are different);
- xviii. Previously-returned checks;
- xix. Checks payable to or in cash;
- xx. Checks exceeding any Customer transaction or file limits as Bank may establish from time to time;

- xxi. Checks that Customer knows or suspects, or should know or suspect, are altered on the front of the item, fraudulent or otherwise not authorized by the owner of the account on which the checks/items are drawn;
- xxii. Checks that have any endorsement on the back other than that specified in or otherwise required by this Appendix;
- xxiii. Checks that have been previously submitted through the Service or through a remote deposit capture service offered at any other financial institution;
- xxiv. Checks that are drawn or otherwise issued by the U.S. Treasury Department;
- xxv. Checks that are postdated or more than six (6) months old; and
- xxvi. Checks that are not acceptable to Bank for deposit into an Account as provided in the Account Agreement, or are in violation of any law, rule or regulation.

9. Image Quality.

9.1 The image of an item transmitted to Bank using the Service must be legible, including the MICR data. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearing house or association.

9.2 Customer is solely responsible for the inspection of all electronic items to ensure legibility of the Check image and all information on an original Check is accurately photographed and legible. Customer acknowledges that image technology may not capture all security features contained in the original Check(s) and agrees to assume any and all losses resulting from claims based on security features that do not survive the image process. Customer acknowledges that Bank does not verify or inspect the accuracy, legibility or quality of the electronic item prior to processing an electronic item. Bank reserves the right in its sole discretion at any time to correct, alter or amend data submitted in an electronic item in accordance with general banking and check collection practices to facilitate processing of the Check, but Bank shall have no obligation to affect such a repair.

10. Endorsements and Procedures.

10.1 You agree to endorse any item transmitted through the Service with your signature and to write “FOR MOBILE DEPOSIT ONLY, NORTHWAY BANK ACCOUNT #” followed by the last 3 digits of the account number you are depositing into, or as otherwise instructed by Bank from time to time. You agree to follow any and all other procedures and instructions for use of the Service as Bank may establish from time to time. Any loss we incur from a delay, processing error or any other action resulting from an irregular endorsement or other markings by you will be your responsibility.

10.2 If the back of any item includes language such as: ☐ CHECK HERE AFTER MOBILE OR REMOTE DEPOSIT, Customer must check the box after submitting the item for deposit via the Service.

10.3 A Check payable to two payees must be endorsed by both 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 your joint owner, both of you must endorse the Check and it must be deposited into an account owned by both of you.

11. Receipt of Items.

11.1 Bank reserves the right to reject any item transmitted through the Service, in its sole and exclusive discretion, without liability to you. Bank is not responsible for items we do not receive or for images that are dropped during transmission. If Bank rejects an item due to image quality, you will be

notified by email and you will be required to re-take the photo. An image of an item shall be deemed received when you receive a confirmation from Bank that we have received the image. Receipt of such confirmation does not mean that the transmission was error free or 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.

11.2 Bank reserves the right at any time to refuse the deposit or processing of an electronic item, and to return same to Customer without prior notice. Bank may request that Customer deposit the original Check for processing and collection, instead of the electronic item. Bank shall not be liable to Customer for (i) failure to process or collect an electronic item; (ii) any error that results in processing or collecting an electronic item because of Customer's failure to provide Bank with full and correct data or dollar amount from the original Check, or an accurate and legible image of the original Check; and (iii) any Check that violates this Addendum, or any other agreement between Customer and Bank. Customer agrees that Bank may charge the account of Customer for any and all returned items that relate to original Check(s) deposited with Bank.

12. Availability of Funds. You agree that items transmitted using the Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. In general, if an image of an item you transmit through the Service is received and accepted before **5:00 p.m.** Eastern Time on a business day that we are open, we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next business day we are open. Bank may delay availability of funds based on such factors as credit worthiness, the length and extent of your relationship with us, transaction and experience information, and such other factors as Bank, in its sole discretion, deems relevant. In addition, Customer agrees to follow The Check Clearing for the 21st Century Act, as it may be amended from time to time, and Regulation CC of the Federal Reserve Board ("Check 21 Act") for all checks deposited where applicable.

13. Disposal of Transmitted Items.

13.1 Customer must securely store any original Check for fourteen (14) Calendar Days after transmission to Bank and make any original Check accessible to Bank at Bank's request. Upon Bank's request from time to time, Customer will deliver to Bank within two (2) Business Days, at Customer's expense, the requested original Check in Customer's possession. If not provided in a timely manner, such amount will be reversed from your account. Promptly after such fourteen (14) day period expires, Customer 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 an original Check, the Image will be the sole evidence of the original Check.*

Customer agrees that it will never deposit the original Check or present the original Check to Bank or anyone else for payment. Customer understands that it is responsible if anyone is asked to make a payment based on an original Check that has already been paid.

13.2 Customer also agrees to review and validate the accuracy of the Check data captured including the amount of the check and the legibility of the check image through the Service prior to transmission of the image. Customer will carefully examine any statement, notification or confirmation of a transaction and notify Bank within thirty (30) days of the statement date of any errors, discrepancies or fraudulent transactions. Customer agrees that thirty (30) days is a commercially reasonable time for Customer to notify Bank of errors, discrepancies or fraudulent transactions, unless any other agreements, laws, rules or regulations provide for a shorter time.

14. Deposit Limits. We reserve the right to impose limits on the amount(s) and/or number of deposits that you transmit using the Service and to modify such limits from time to time in our sole discretion. If you attempt to initiate a deposit in excess of these limits, it may be declined. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Addendum, and we will not be obligated to allow such a deposit at other times.

14.1 Upon enrollment in the Service, you will be provided with your daily and monthly deposit limits. To confirm your current limits, navigate to the Mobile Deposit tab within the Mobile App. Add a deposit and then click on the information button to view your limits. Daily and monthly deposit dollar and count limits may vary and are subject to change at the discretion of Bank.

15. Increasing Deposit Limits. If you wish to increase your deposit limits, you must call Customer Service at 800-442-6666 or visit any Bank branch location. The Bank reserves the right to review specific account and relationship information to determine eligibility for increased deposit limits at the Bank's sole and exclusive discretion.

16. Returned Deposits. Any credit to your account for Checks deposited using this Service is provisional. If original Checks deposited through this Service 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.

17. 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.

18. Hardware and Software. In order to use the Service, you must obtain and maintain, at your expense, compatible hardware and software as specified by Bank from time to time. Bank is not responsible for any third-party software you may need to use the Service. 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.

19. Errors. You agree to notify Bank of any suspected errors regarding items deposited through the Service right away, and in no event later than sixty (60) days after the applicable Bank account statement made available to you. Unless you notify Bank within sixty (60) days, such statement regarding all deposits made through the Service shall be deemed correct, and you will not be able to bring a claim against Bank for such alleged error. Consumers should refer to the Electronic Fund Transfers disclosure for additional information relating to liability.

20. Errors in Transmission. By using the Service, you accept the risk that an item may be intercepted or misdirected during transmission. Bank bears no liability to you or others for any such intercepted or misdirected items or information disclosed through such errors.

21. Presentment. The manner in which the items are cleared, presented for payment, and collected shall be in Bank's sole discretion subject to the terms and conditions governing your account.

22. Ownership & License. You agree that Bank retains all ownership and proprietary rights in the Service, associated content, technology, and website(s). Your use of the Service is subject to and conditioned upon your complete compliance with this Addendum. Without limiting the effect of the foregoing, any breach of this Addendum immediately terminates your right to use the Service. Without limiting the restriction of the foregoing, you may not use the Service (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to Bank's business interest, or (iii) to Bank's actual or potential economic disadvantage in any aspect. You may use the Service only for business or personal use as approved by Bank and 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 Service.

23. Audit/Cooperation with Investigations. We may periodically audit and verify your compliance with this Addendum. You agree 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 deposited through the Service in your possession and your records relating to such items and transmissions.

24. DISCLAIMER OF WARRANTIES. YOU AGREE YOUR USE OF THE SERVICE 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 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 THE SERVICE (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 SERVICE OR TECHNOLOGY WILL BE CORRECTED.

25. LIMITATION OF LIABILITY. IN ADDITION TO LIMITATIONS ON USE OF THE SERVICE AS PROVIDED IN SECTION 29 BELOW, 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 SERVICE 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 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.

26. User warranties. You represent and warrant to Bank that:

- a. You will only transmit eligible items.
- b. Images will meet the image quality standards as required in this Addendum.
- c. You will not transmit duplicate items.
- d. You will not deposit, negotiate or represent the original item unless requested by Bank in writing.
- e. All information contained in or regarding the item you provide to Bank is accurate and true.

- f. You will only transmit items that are drawn on or payable at or through banks located with the United States.
- g. You will properly secure the Mobile Device to prevent unauthorized use.
- f. You will comply with this Addendum and all applicable rules, laws and regulations.

27. User Security. You will be able to access the Service by entering a user name and password, or other unique identifier that may be required (“Authentication Procedures”). You agree to keep your Mobile Device secure and to close your mobile banking application when not in use. If you suspect your Mobile Device has been lost or stolen, or your Online Banking has been accessed by someone other than yourself, you must notify Bank immediately by calling 800-442-6666.

Although the Service will not display the full account number for any of your accounts, it may display other sensitive information about your accounts, including account activity, balances and transfer amounts. The Service may not be encrypted. You agree to protect your Mobile Device that receives information through the Service and not to let any unauthorized person have access to the information Bank provides to you through the Service. Bank will not be liable for losses or damages caused in whole or in part by your actions or omissions that result in any disclosure of account information to third parties.

FAILURE TO PROTECT YOUR MOBILE DEVICE AND ACCOUNT NUMBERS AS WELL AS ANY AUTHENTICATION PROCEDURES TO ACCESS THE SERVICE MAY ALLOW AN UNAUTHORIZED PARTY TO ACCESS THE SERVICE AND TRANSMIT AN ITEM FOR DEPOSIT. ALL USERS OF THE SERVICE USING YOUR AUTHENTICATION PROCEDURES WILL BE DEEMED TO BE USERS AUTHORIZED BY YOU AND BE BINDING UPON YOU.

28. Biometric Access. Depending on your Mobile Device, you may have the option to use a biometric feature (such as a fingerprint scanner) on your Mobile Device to authenticate your identity and gain access to the Service. If you choose to activate a biometric feature on your device, it is your responsibility to control access to the Service. You acknowledge that any person who has a biometric feature stored in your device will be able to access the Service if you have this option turned on.

29. Liability. You agree to indemnify, defend and hold Bank and its respective directors, officers, employees, and agents (collectively, “Indemnitees”) harmless from and against any and all claims, losses, liability, cost and expenses (including reasonable attorneys' fees) arising directly or indirectly from or related to the following (except for losses and liabilities related to our own gross negligence or willful misconduct):

- a. Any negligent or intentional act or omission by you in the performance of your obligations under this Addendum, including, but not limited to (i) duplicate photographing of the same check or item, (ii) transmission of duplicate items, (ii) fraudulent or unauthorized use of your Mobile Device or security credentials.
- b. Any material breach in a representation, warranty, covenant, or obligation of you contained in this Addendum.
- c. The violation of any applicable federal, state or local law, regulation or ordinance when accessing the Service.
- d. Your failure to securely maintain your Mobile Device or the original check or item, or properly disposing of the original item after depositing it through the Service.

Your obligation under this paragraph shall survive termination of the Addendum.

30. Periodic Statements. You agree that you are responsible for reviewing promptly each periodic statement on account linked to the Service in order to detect any unauthorized transactions and to ensure deposits were accurately transmitted.

31. Limitations on Use of the Service. There are certain limitations of the Service. Because the Service is accessible only through a Mobile Device, your access to the Service may be limited by the service provided by the applicable telecommunications carrier. ***Bank does not guarantee: (a) either the delivery or the accuracy of any information requested or provided through the Service; or (b) that you will have continuous or uninterrupted access to the Service. Bank is not responsible for any delay, failure or error in the transmission or content of text messages through the Service. Bank will not be liable for damages arising from the non-delivery, delayed delivery, or wrong delivery of any information through the Service, from any inaccurate information provided through the Service, from your use of or reliance on any information provided through the Service, or from your inability to access the Service.***

32. Changing this Addendum. Bank may make changes to the Service and your continued use of the Service following the effective date of a change constitutes your acceptance of the change. You will be notified at least thirty (30) days prior to any adverse changes to the Service.

33. Terminating the Service.

33.1 Either you or Bank may terminate the Addendum or the Service provided under this Addendum for any reason at any time. If Bank terminates the Service, we may notify you as provided in the Online Banking Agreement.

33.2 Bank may terminate your Service, if you have:

- Not used the Service for at least eighteen (18) months,
- Abused one or more of your accounts
- Deposited any ineligible items as referenced in Section 8 above,
- Or any other reason determined by the Bank.

Bank is not responsible for notifying any remaining account holders of the termination. Bank may end your right to use the Service for any reason and at any time without telling you. If either you or Bank ends your right to use the Service, you will remain obligated to Bank for all of your Service transactions, even if they occur or are completed after the Service has been terminated.

34. Contacting Bank. For help or information about the Service, call Bank's Customer Service Center at 800-442-6666. You will never receive a message from Bank that asks you to send Bank any sensitive personal or financial information such as your social security number or your account number. If you ever receive such a request for sensitive personal or financial information, do not respond to the message and call Bank at 800-442-6666 to report the incident.

35. Changes to Your Contact Information. It is solely your responsibility to ensure that the contact information you have provided to Bank is current and accurate. This includes your name, address, other account numbers and e-mail address.

Effective October 19, 2022