

## Online Banking Agreement

Please read this agreement carefully. By clicking "I Agree" or using Online Banking, you are agreeing to these terms and conditions. This Agreement includes, among other things:

- our obligations to you;
- your obligations as a user of Online Banking;
- our mutual agreement to arbitrate disputes
- the ways in which we may send you notices and disclosures;
- limitations on our liability to you; and
- your mutual agreement with us that Washington law will control this Agreement, without regard to conflict-of-law rules.

**PART I of this Agreement describes the general terms and conditions that apply to all uses of the Service and that apply to any features, products or services that we may make available to you.**

**PART II of this Agreement describes the general terms and conditions that apply to your use of ACH services.**

**PART III of this Agreement describes additional terms and conditions that apply specific features, products and services that we may make available to you, which may include:**

- **Bill Pay Services; and**
- **Mobile Check Processing.**

### **PART I. GENERAL TERMS AND CONDITIONS FOR USE OF ONLINE BANKING**

#### **1. Definitions**

"Additional Services" means each of the optional products and services you may access, use or enroll in through Online Banking and described more fully in Part III of this Agreement.

"Northwest FCS" means Northwest Farm Credit Services, FLCA, PCA, or ACA.

"Online Banking" or "Services" means all the various products and services provided through this website or through any software application we offer or make available to you and includes any Additional Services in which You have enrolled.

The products and services provided through Online Banking may change from time to time, and Services may be added or removed. Certain products and services may only be available through the website, or through a software application we offer or make available to you. The Online Banking products and services include products or services offered by Northwest FCS or by Third Party Service Providers through our Online Banking services. Your use of Online Banking, including those products and services offered by Third Party Service Providers, is conditioned on your acceptance of all terms of this Online Banking Agreement. By clicking "I Agree", you acknowledge that you have read and understand the contents of this Agreement, and that you agree to be legally bound by it.

Any product or service offered by a Third Party Service Provider through Online Banking may be subject to other terms, agreements, restrictions and limitations of liability and damages required by that Third Party Service Provider as a condition of enrollment. You may be required to accept any such terms and conditions as part of the enrollment process and by doing so will be bound by the terms of those agreements.

"Third Party Service Providers" means third parties with which Northwest FCS has contracted to provide You with products and services through Online Banking.

"You" means the customer or user of the Services.

## 2. Use

Each time you use Online Banking, your use constitutes your continuing agreement to use Online Banking according to this Agreement and to be legally bound by all its terms, including those terms as they may change from your initial enrollment. You agree:

- To use Online Banking only for those accounts for which you have authorized access;
- To use Online Banking only in accord with this Agreement and applicable laws;
- To comply with any user requirements as they may be promulgated from time to time; and
- To remain bound by the terms and conditions of all your loan documents, which will always control and may not be changed by any Online Banking transaction or without the express written consent of Northwest FCS.

Certain special or custom loan products or services may not be available through Online Banking. If any transaction requiring prompt completion cannot be made or concluded through Online Banking, you must contact your local Northwest FCS branch directly by telephone or in person during business hours.

Online Banking is provided as a privilege and convenience to Northwest FCS customers. Northwest FCS reserves the right to terminate the entire Online Banking program or access to any account at any time with or without cause or prior notice. Northwest FCS also reserves the right to terminate Online Banking access privileges if any account becomes delinquent, is declared to be in default, becomes subject to litigation or other court proceedings, is restructured, or in Northwest FCS's sole discretion is assessed as being in violation of applicable law or this Agreement. Northwest FCS will make a reasonable attempt to notify you if your Online Banking access is terminated for any reason but is under no obligation to do so.

## 3. Transaction Posting

Unless we inform you otherwise, or as provided in Additional Services, Online Banking transactions will be posted to your account as follows:

- A transaction initiated before 2:30 p.m., Pacific Time, will be effective that same day.
- Transactions initiated after 2:30 p.m., Pacific Time, will be effective the next business day.
- Transactions initiated on a weekend or Northwest FCS holiday will be effective the next business day.
- A "business day" is every day except Saturdays, Sundays and holidays.

## 4. Processing Restrictions

Northwest FCS will not process your transaction if:

- Your account does not have sufficient funds to cover the transaction;
- Your loan is in default or the requested transaction will result in a default;
- Your transaction violates a term or condition of the Online Banking Agreement or your loan documents;
- A legal order prohibits Northwest FCS from making the transaction;
- Northwest FCS terminated your Online Banking account access;
- Northwest FCS terminated the Online Banking Agreement;
- You (or anyone you allow to use the account) commits or attempts to commit fraud or violate any law or regulation;
- The electronic terminal, telecommunication device, Internet access service or any electronic fund transfer system required for the transaction is not working properly;
- You do not provide complete and correct information required for the transaction;
- You do not follow all applicable Online Banking instructions;

- Any circumstance beyond Northwest FCS's control (including without limit fire, flood, acts of God, unexpected disruption of service, or action of any third party) which prevent completing the transaction; or
- Northwest FCS or its Third Party Service Providers have any reasonable basis to suspect improper or irregular use of or access to the Online Banking system or believe you are not in compliance with any term of your loan or Online Banking Agreement.

## 5. Account Errors

If an error occurs in an Online Banking transaction, you must immediately contact Northwest FCS by using the Online Banking support contact information provided on [www.northwestfcs.com](http://www.northwestfcs.com). If you discover an Online Banking transaction error as a result of reviewing your billing statement, you must notify Northwest FCS of the suspected error within 60 days after you receive the first account billing statement on which that error appears.

To report an error, please provide the following information:

- Your name and account numbers;
- A brief description of the suspected error or nature of the problem;
- The dollar amount of the suspected error; and
- Other information you believe is relevant or that Northwest FCS may require to determine the nature of the error.

If you report a suspected error, we may ask you to provide a written confirmation of your complaint or question within 10 business days.

Northwest FCS will investigate your reported error within 10 business days. If an error is discovered, it will be corrected promptly. If we find no error, we will send you a written explanation of our findings within three business days after we finish our investigation. You may request copies of the documents that we used in that investigation.

If we need more than 10 days to investigate your complaint or question, we may take up to 45 days. In this case, we will credit your account within 10 business days with the amount you think is in error. That way, you will have use of the money during our investigation. If you reported the suspected error and you do not confirm your complaint or question in writing within 10 business days after we request you to do so, we will not credit your account during the investigation.

## 6. Fees

You agree to promptly remit any fees and charges for the Services utilized by you in accordance with Northwest FCS' statement of fees. Northwest FCS reserves the right to change the stated fees from time to time upon reasonable notice. Northwest FCS is authorized to debit your accounts with Northwest FCS for the payment of such fees.

## 7. Passwords and Security

You agree to follow Northwest FCS' security procedures and recommended security practices, to establish a password, and to maintain the security of that password at all times. Northwest FCS shall be entitled to act on all instructions provided through Online Banking, which are authorized using the correct password for that account. Northwest FCS is not liable for any unauthorized transaction or access to your account, or for any damages resulting from such use, if such action was initiated using your password. If your password is ever lost, stolen or improperly disclosed, or you notice any irregularity in your account, you agree to report this fact immediately to online banking support as provided at [www.northwestfcs.com](http://www.northwestfcs.com), and to immediately change your password. You acknowledge that the security procedures are commercially reasonable. We may revise the security procedures applicable to the Services. By

continuing to use the Services after any revision, you agree that such revised procedures are commercially reasonable.

## **8. Disclosure of Your Account Information**

Consistent with our Privacy & Security Statement, Northwest FCS will protect your account information and other confidential information provided through Online Banking. You agree that Northwest FCS may disclose all or any portion of this information to its own employees, contractors, agents, affiliates, Third Party Service Providers, independent auditors, regulators, consultants or attorneys as needed (a determination within the sole discretion of Northwest FCS) to provide, administer and monitor Online Banking and to carry out Northwest FCS' responsibilities under this Agreement and all applicable law.

If you select a product or service offered by a Third Party Service Provider through Online Banking, you consent to Northwest FCS and that Third Party Service Provider sharing any information necessary to efficiently provide, administer and monitor those products and services.

## **9. Authority**

You hereby represent and warrant that all necessary corporate or other action required to authorize you to enter into this Agreement has been taken; that any individual acting on your behalf has full authority to agree to this Agreement and this Agreement does not contravene your organizational documents, or any agreement to which you are a party or by which you are bound.

## **10. Proprietary Rights**

Northwest FCS and Third Party Service Providers or other third parties, where applicable, are the absolute owners of all intellectual property and rights applicable to this website and to Online Banking. You agree that this website contains proprietary trademarks, data, text, information, programs and materials (collectively called "Information") protected by copyright, trademark and other forms of ownership protection under the laws of the United States of America. Without prior written consent from Northwest FCS, you do not have permission to copy, use or republish in any form any Information found on this website. You agree not to assert any claim of ownership over the Information, including any software or data, based on your use.

## **11. Disclaimer of Warranties**

Online Banking and Information, including any products and services offered by Third Party Service Providers through Northwest FCS's Online Banking system, website or software applications, are provided "AS IS" and WITHOUT WARRANTY of any kind. Northwest FCS DOES NOT WARRANT that Online Banking will be accurate, complete or timely; or free from faults or interruptions in service; or that data or Information will be error-free. Northwest FCS assumes no liability or responsibility for any errors or omissions in the Information on this website, and specifically disclaims any duty to update the Information.

It is expressly understood and agreed that EXCEPT AS SPECIFICALLY STATED IN THIS AGREEMENT, ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED.

## **12. Disclaimer of Liability**

By establishing your online account and using Online Banking, including any product or service offered by a Third Party Service Provider through the Online Banking system, you agree that NORTHWEST FCS OR ANY SUCH THIRD PARTY SERVICE PARTY SHALL NOT BE RESPONSIBLE FOR ANY LIABILITY, CLAIM, LOSS, EXPENSE, COSTS OR DAMAGES, INCLUDING PROPERTY DAMAGE, ARISING FROM OR IN CONNECTION WITH THE USE OF ONLINE BANKING, REGARDLESS OF CAUSE.

NORTHWEST FCS WILL NOT BE RESPONSIBLE FOR ACCESS FAILURES OR ERRORS DUE TO ANY CIRCUMSTANCES BEYOND ITS CONTROL.

IN NO EVENT WILL NORTHWEST FCS BE LIABLE TO YOU OR ANY THIRD PARTY FOR LOST PROFITS OR FOR ANY DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE, OR ECONOMIC DAMAGES, OR DAMAGES OF ANY KIND WHATSOEVER, INCLUDING WITHOUT LIMIT ANY LOST DATA, LOST BUSINESS OPPORTUNITIES, LOST PROFITS, LOST SAVINGS, OR RESERVES ARISING OUT OF OR RELATED TO THE USE OF ONLINE BANKING, OR ARISING FROM ANY COMPUTER VIRUS, SYSTEM OR NETWORK FAILURE OR INTERNET FAILURE, AND REGARDLESS OF WHETHER NORTHWEST FCS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NORTHWEST FCS SHALL NOT BE LIABLE FOR DAMAGES, UNDER ANY THEORY OF LIABILITY, ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THIS WEBSITE, OR THE INFORMATION OR SERVICES PROVIDED HERE, OR THE INABILITY TO USE THE INFORMATION OR MATERIALS PROVIDED HERE.

Any Northwest FCS liability under this Agreement or arising from the use of Online Banking shall be limited to the reasonable cost of taking corrective action regarding the circumstance giving rise to the liability being claimed. Such limitation shall be the maximum extent of Northwest FCS' liability, regardless of the form in which any legal or equitable action may be brought against Northwest FCS, and this shall constitute the sole and exclusive remedy for any such liability.

For purposes of this Paragraph 12 only, "Northwest FCS" shall mean the organization described in Section 1 of this Agreement, including all its past, present and future directors, employees, contractors, agents, Third Party Service Providers and any person or entity involved in the creation, production or delivery of this website or the Information provided here.

### **13. Changes to This Agreement**

Northwest FCS reserves the right to change the terms of this Agreement at any time. If any changes are made, the revised Agreement will be updated and posted on this website. Generally, a change in terms will become effective 30 days after the date notice is posted on the website. Your continued use of Online Banking after the effective date will be your agreement to be bound by this Agreement, as amended by the new terms. If Northwest FCS determines, in its sole discretion, that any change is needed immediately, Northwest FCS will post notice that such change becomes effective immediately. You are always free to reject any change in the terms of this Agreement by terminating your use of Online Banking.

### **14. Termination of This Agreement**

Northwest FCS reserves the right to terminate your access under this Agreement, the Online Banking program or any product or service offered through Online Banking, at any time for any cause or no cause and without prior notice. In the event Northwest FCS decides to terminate this Agreement, Northwest FCS will make a reasonable attempt to notify you provided that circumstances allow for notification and the time required.

You may terminate this Agreement's applicability to your account(s) at any time by providing Northwest FCS written notice and terminating your use of Online Banking. Your termination shall be effective when your written notice has been received and Northwest FCS has been afforded a reasonable opportunity to act on such notice.

### **15. Notices**

All notices or other communications pursuant to this Agreement shall be in writing and shall be given to each of the parties at their address or email or at such other address or number as such party may designate to the other in writing. Unless otherwise expressly agreed (i) any notice to you shall be effective

when sent and (ii) any notice to Northwest FCS shall be effective when received and Northwest FCS has a reasonable opportunity to act on such notice.

## 16. Binding Arbitration of Disputes

You and Northwest FCS mutually agree that any disputes not satisfactorily resolved between the parties arising out of or related to this Agreement, or arising out of or related to Online Banking or any of its Services, including all actions and transactions made by or through Online Banking, shall be submitted to final and binding arbitration in the State of Washington, or any other mutually agreed location. Arbitration shall be conducted in accord with the Commercial Arbitration Rules of the American Arbitration Association, unless the parties shall mutually agree to different rules or procedures. Each party shall bear its own costs connected with arbitration, and the parties shall comply promptly with any award or ruling of the Arbitrator. The prevailing party in arbitration shall have the right to enter, without contest by the other party, an order reflecting the Arbitrator's decision in any court of competent jurisdiction.

## 17. Electronic Communications and Signatures

You consent to the use of electronic records and signatures in connection with the execution of this Agreement and any other agreements relating to the Services. The effectiveness of any such agreements and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on you. This consent is provided in accordance with the Electronic Signatures in Global and National Commerce Act, as amended, and any other applicable law addressing the use of electronic records and signatures.

## 18. Governing Laws and Jurisdiction

This Agreement shall be governed, construed and enforced, in accordance with the laws of the United States of America, applicable to Northwest FCS, and otherwise by the laws of the State of Washington, without regard to legal principles that would apply the laws of a different state. You hereby consent to personal jurisdiction in any court within the State of Washington which has jurisdiction over the subject matter of any action arising out of this Agreement.

## **PART II. ADDENDA FOR ACH SERVICES** **(This is an Addendum to your Online Banking Agreement)**

**This Part of our Agreement describes the additional terms and conditions that apply to our agreement to provide you with electronic funds transfer services through online banking. Unless otherwise indicated below, these additional terms and conditions supplement and are in addition to the general terms and conditions described in Part I. Although all the terms and conditions in Part I apply to your use of electronic funds transfer services, please take particular notice of the following important items found in Part II:**

- **Our obligations to you in connection with for electronic funds transfers; and**
- **Your responsibility for unauthorized activity.**

## **ACH SERVICES AGREEMENT**

The Electronic Funds Transfer Program ("EFTP") is a service that allows you to transfer funds to and from your Northwest Farm Credit Services PCA or Northwest Farm Credit Services, FLCA (collectively Northwest FCS) or as each may apply to your loan, business loans or Future Payment Fund account(s) through Online Banking. Access to the EFTP through Online Banking is subject to this EFTP Agreement and the Online Banking Agreement, which governs all Online Banking transactions. Further, your transactions through EFTP are subject to your Funds Transfer Agreement with us, which is incorporated into this EFTP Agreement by reference. To the extent there is an inconsistency between this EFTP Agreement and the Funds Transfer Agreement, this EFTP Agreement controls for all transactions ordered

through EFTP. By clicking the "I Agree", you acknowledge that you have read and understand the contents of this Agreement, and the Online Banking Agreement, and that you agree to be legally bound by them.

This EFTP Agreement establishes the terms governing electronic transfers of funds to and from your Northwest FCS Loan Accounts through Online Banking. The words "we", "our" and "us" in this Agreement refer to Northwest FCS, and the words "you" and "your" refer to you, the Loan Account holder(s) and anyone with the authority to exercise control over the Loan Accounts. "Loan Account(s)" means all or any single Northwest FCS business loan account(s) or Future Payment Fund account(s) with Northwest FCS that are designated for EFTP access under this Agreement. The banking institution in which you have your depository checking or other account is called your depository financial institution, or "DFI."

## 1. Authorization

Each time you use the EFTP, you confirm your continuing acceptance of this EFTP Agreement. Under this EFTP Agreement, you authorize Northwest FCS, upon your request, to make loan advances from, or to transfer funds to or from, any of your designated Loan Accounts as you may direct through Online Banking. Pursuant to your instructions and this Agreement, we may:

- Advance funds under an approved loan line of credit and transfer those funds for deposit into your DFI business checking account or for other uses; or
- Transfer funds to or from your DFI business checking account to or from your Northwest FCS Loan Account(s) or Future Payment Fund account(s) as you may specify; or
- Transfer funds from your DFI personal or consumer checking account to apply to your Country Home Loan Account.

## 2. Program Requirements

Generally, EFTP transfers are available only between your Loan Accounts used primarily for business purposes and your bank accounts at DFIs used primarily for business purposes. However, EFTP transfers are available to transfer funds from a personal, non-business or consumer DFI bank account to make a payment on your Country Home loan. Except as stated in the immediately preceding sentence, your use of the EFTP is your representation that your loan and DFI bank account are not personal or consumer accounts.

Your Loan Account and the DFI account must be in the same name(s). If you wish to transfer funds from your DFI business checking account (or, if applicable, personal account for Country Home loans) to your Northwest FCS Loan Account, your DFI must be able to accept debits through electronic funds transfer.

Any advance from your Loan Account must be made in accord with a previously established line of credit and is subject to all terms of that loan, as described in the loan legal documents, letters of understanding or elsewhere. If a loan advance exceeds your lending arrangement or authorized credit limit, and we inadvertently make the transfer, you are still obligated to repay all amounts advanced according to the interest rate and other terms applicable to the Loan Account.

Northwest FCS's role under the online EFTP program is limited to that of giving a payment order, as a sender, to our receiving bank, and then making funds available to be transferred under that payment order. We are not a bank, and we do not directly transfer or receive funds electronically to or from your DFI, as such we are not able to respond to stop payments and changes in instructions that are initiated according to this EFTP Agreement.

## 3. Continuing Agreement

Each time you use the EFTP, you agree that:

- All terms of this EFTP Agreement and the Online Banking Agreement shall apply to every transaction.
- EFTP transfers shall be requested only by persons authorized to do so for the Loan Accounts and DFI accounts to or from which the transfer is made.
- You will establish and follow applicable security procedures.
- You will follow applicable security procedures that we establish. Subject to any limitations under applicable law or system rules, we shall have full authority to act without question on any transfer request for any Loan Account(s) if the security procedures for that account have been satisfied.
- Our disbursement is complete, and you are irrevocably obligated to repay a disbursed amount according to the loan legal documents, when we issue a payment order for the electronic funds transfer specified in your EFTP instructions and our receiving bank accepts the payment order.
- Once your DFI accepts outgoing transferred funds, your only recourse is with your DFI. You have no right of offset against the loan balance or other obligation to Northwest FCS for any error or omission of Northwest FCS under the EFTP.
- You agree to promptly pay any fees or costs, if applicable, incurred in connection with any EFTP transaction you request. Presently, Northwest FCS provides the EFTP for no fee. However, DFIs or intermediaries may charge fees that are your responsibility to pay. If costs are incurred by Northwest FCS or fees are charged for the program, you authorize us to debit such amount from your account or advance from your loan for the payment of such fees or costs.
- We may refuse to process your EFTP request, without incurring any legal liability, if we have reasonable cause to believe that: your loan is delinquent or otherwise in material default, violates loan terms, is in excess of loan funds available, appears to be unauthorized by you or fails applicable security procedures, involves funds subject to a hold, dispute or legal process preventing disbursement, violates the risk control program of the Federal Reserve Bank, or violates the terms of this EFTP Agreement.
- We are not liable for loss or damage if a company or person does not accept your checks for any reason, including an error or omission on our part.
- We are excused from not acting, or a delay in acting, on your transfer instructions when our inaction or delay is due to legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions, disruptions in the internet or in the Online Banking service or due to any other circumstances beyond our reasonable control.
- No instructions limiting our acceptance of your EFTP requests shall be binding on us unless we have previously agreed to them in writing.
- We have complete discretion to select the means for transmission of your EFTP request, and we will make reasonable commercial efforts to effect your transaction request; but we do not guaranty results.
- We are not responsible for an incoming electronic funds transfer until your request is completed and payment from your DFI is properly posted to Northwest FCS's account.
- If you detect an error in an EFTP transaction, you will notify us immediately upon your discovery of the error, using the procedure and providing the information described in the Online Banking Agreement under the heading, "Account Errors."
- The provisions of the Online Banking Agreement are incorporated by reference into this EFTP Agreement and apply to all EFTP transactions made through Online Banking, including the CSS, including but not limited to the provisions in that agreement related to Account Errors, Disclaimer of Warranties, Disclaimer of Liability, Binding Arbitration, and Governing Law. The EFTP service is provided without warranty, and with the liability disclaimers and limits on damages described in the Online Banking Agreement.

#### 4. Initiation and Completion of Transactions

Depending on when your EFTP transaction request is submitted to us (refer to the cutoff times in the Online Banking Agreement under the heading: "Transaction Posting"), your EFTP transaction will be initiated either the same day or the next business day. Initiating a transaction means that we request the transfer of funds through the Automated Clearing House ("ACH") system, or other electronic funds transfer system, according to your instructions. Generally, you may expect that your EFTP transaction will be completed within one to two business days after initiation. A transaction is completed when the funds

are actually deposited or withdrawn in the destination account you request. When transferring funds to your DFI, please consult your DFI's funds availability policy to determine when the funds are available for your use.

## 5. Corrections and Termination

You authorize us to adjust entries to correct errors in transfers, and you will not hold us liable for fees that result from these adjustments, unless our actions caused the error. If you request that we stop or redirect a funds transfer or amend, alter or change a disbursement instruction, we are not responsible to cause those results, and our attempt to accommodate your request, if any, will not create any such responsibility or duty. If we receive an electronic funds transfer instruction that exceeds the balance on your specified Loan Account, you authorize us to adjust the excess payment entry with your DFI. We will notify you by telephone or secure messaging if we are unable to execute your transfer request. We have no obligation to re-send a fund transfer.

Either you or Northwest FCS may terminate this EFTP Agreement at any time, and Northwest FCS reserves the right to terminate the EFTP at any time, but such terminations will not affect your obligation to repay all sums advanced prior to termination under the terms of your loan legal documents. Upon our receipt of notice of your intention to terminate this EFTP Agreement, we are immediately entitled to stop honoring transfers to your account, and to inform the parties with whom we transact on your behalf that you have terminated this service and that no further transactions will be accepted on your behalf.

We reserve the right to change the terms of this EFTP Agreement at any time. If any changes are made, the revised EFTP Agreement will be updated and posted on this website. Generally, a change in terms will become effective 30 days after the date notice is posted on the website. Your continued use of EFTP services after the effective date will be your agreement to be bound by this EFTP Agreement, as amended by the new terms. If Northwest FCS determines, in its sole discretion, that any change is needed immediately, we will post notice that such change becomes effective immediately.

## 6. Information Required

It is your responsibility to provide us with all the correct information needed for EFTP transfers to or from your DFI business account or from your DFI personal account, if applicable, for making a Country Home Loan payment. Therefore, in addition to your transfer instructions, you must provide us with the following correct information:

- Your name(s)
- Northwest FCS Loan Account number
- DFI name and routing number
- DFI business checking account number (or, if applicable, personal checking account for Country Home Loan payments only)

Please double-check all information for accuracy, especially bank account numbers, since these are the only means used to identify your accounts for electronic funds transfers. We have no obligation to determine whether any information you provide to us is correct, even if we may have reason to know or suspect that certain information may not be correct, and we may rely without question on all information you provide us. We are not liable for problems resulting from incorrect information, or discrepancies between the account names and account numbers you provide us. You are responsible for the completeness, truth, accuracy, correctness and suitability of all information provided to carry out your electronic funds transfers.

## 7. Records

You agree that we are permitted to electronically record telephone calls and data transmissions between us and any person acting on your behalf, and we may keep those recordings for as long as we consider it necessary to do so. If our records about a funds transfer request are different than yours, our records will

govern. Our records include our written records, Online Banking transaction records and tape recordings of electronic funds transfers.

## 8. Account Statements

All EFTP transfers will appear on your periodic Loan Account statements from Northwest FCS. You must review each account statement promptly for any discrepancies in EFTP transfers. If you think an EFTP error has been made, follow the procedures in the Account Errors section of the Online Banking Agreement.

## 9. Indemnification

You agree to indemnify, defend and hold Northwest FCS harmless from any damage, loss or liability of any kind, including without limitation, reasonable attorney's fees and court costs, which may result, directly or indirectly, in whole or in part, from the actions taken or services rendered by Northwest FCS under this EFTP Agreement pursuant to your instructions or the information you provide. For purposes of this Indemnification section only, "Northwest FCS" shall have that meaning identified above, but shall also include all its past, present and future directors, employees, contractors, agents, Third Party Service Providers and any person or entity involved in providing this EFTP service.

## 10. Your Liability

We agree to exercise reasonable care in performing services under this EFTP Agreement. If we fail to use reasonable care in following the transfer instructions that you have given us, we shall be liable only for your loss of use of the funds, interest, and/or your actual proven expenses directly related to your funds transfer request which were caused by our negligence in failing to follow your transfer instructions. We will not, under any circumstances, be liable for any special, incidental, indirect, consequential, or punitive damages, whether or not the likelihood of such losses or damages was known to either party at the time the services were first engaged or at the time any instruction or transfer request was made to us pursuant to the provisions of this EFTP Agreement.

Subject to the limitations in the preceding paragraph, and except as otherwise provided by applicable law or applicable system rules, you shall be liable for any loss or damages in all cases where:

- We have followed the security procedures applicable to your Loan Account(s),
- You fail to notify us within a reasonable time, not to exceed 60 days, of any discrepancy in your billing statement regarding an EFTP transaction, or
- You or your current or former authorized representatives attempt or commit unauthorized, fraudulent, or dishonest acts.

Your liability includes, but is not limited to, instances where a former authorized agent, representative or employee or anyone else initiates one or more EFTP transfers to your detriment by obtaining access to your transmitting facilities or your security information, regardless of how that access or information was obtained and regardless of whether the obtaining of such access or information is your fault.

## 11. Time Limit to Bring EFTP Claims

Except as otherwise prohibited by applicable law or applicable system rules, due to the difficulty of accurately reconstructing events that occurred more than a year previous, we must limit the time period for bringing any claim which in any way relates to the EFTP. Therefore any action in arbitration or other legal action to enforce any right under this EFTP Agreement must be commenced within one year from the date of the occurrence giving rise to the claim or action. After the expiration of one year, we will not be liable for, and you agree to not bring any action, based on any act or omission arising out of or relating in any way to our delivery of services under this EFTP Agreement. If applicable law does not allow this one-year time limit, then claims must be brought within the shortest applicable time period allowed under that law.

## 12. Cooperation in Loss Recovery

In any claim for damages, whether between the parties to this EFTP Agreement or with any third party, both Northwest FCS and you agree to use best reasonable efforts to cooperate with each other, to the extent permitted by applicable law, in performing loss recovery efforts, sharing information, or in taking any action that either party may be obligated to defend or elect to pursue against a third party.

## 13. Changes

Any authorized EFTP user may individually cancel or stop this service. Except for emergency situations, any change must be made in writing, and we must receive at least 30 days prior notice of the change. We are not liable for any loss due to transfers made prior to the expiration of this 30-day period. A change in authorized users must be accomplished in writing or in the same manner as your initial authorization. In emergency situations, deletion of an authorized representative may be made by telephone, followed by your immediate written confirmation.

## 14. Acknowledgement

You acknowledge being provided the information in this EFTP Agreement before you authorized us to transfer funds to or from your Northwest FCS loan account through Online Banking. You have read, understand and agree to all terms of this EFTP Agreement.

### **PART III. ADDENDA FOR ADDITIONAL SERVICES OFFERED THROUGH ONLINE BANKING**

**This Part of our Agreement describes the additional terms and conditions that apply to your use of the Additional Services described in this part that we may provide to you. Unless otherwise indicated below, these additional terms and conditions supplement and are in addition to the general terms and conditions described in Part I. Although all the terms and conditions in Part I apply to your use of the Additional Services, please take particular notice of the following important items found in Part III:**

- **Your responsibility regarding the security of your credentials;**
- **Your responsibility to report suspected unauthorized access or unauthorized activity; and**
- **Your responsibility for unauthorized activity.**

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## **BILL PAY SERVICES AGREEMENT**

### **AGREEMENT FOR BILL PAY SERVICE THROUGH ONLINE BANKING (This is an Addendum to your Online Banking Agreement)**

This addendum (“Bill Pay Addendum”) contains the terms and conditions under which we will provide you with access to the bill pay service (“Bill Pay Service”). The Bill Pay Service enables you to direct us to make payments from your loan account to a Payee(s) in the United States. We may offer you this service in connection with Third Party Service Providers.

Capitalized terms that are used but not defined in this Bill Pay Addendum have the same meanings given to them in Part I of the Agreement. Your use of the Bill Pay Service is optional. If you do enroll in the Bill Pay Service, your use is subject to the terms and conditions set forth in this addendum and Part I of the Agreement. In addition to this Addendum, you may be required to provide additional information and agree to additional terms and conditions as they relate to the Bill Pay Service (collectively the “Bill Pay Agreements”). Additional details regarding the functionality of the Bill Pay Service and certain formatting and other technical requirements that you must follow when using the Bill Pay Service are described in

the Bill Payment Service Documentation available from Northwest FCS, or Northwest FCS' Third Party Service Provider, and may be updated from time to time.

## 1. Definitions

“Account” means the Northwest FCS loan that will fund Scheduled Payments.

“Bill Payment Service Documentation” means documentation that describes the functionality of the Bill Pay Service and certain formatting and other technical requirements that you must follow when using the Bill Pay Service.

“Payee” is the person, business, or other entity to which you direct a payment to be made.

“Payment Instruction” is the information provided by you through the Bill Pay Service instructing Northwest FCS to make a payment to a Payee (including Payee name, Scheduled Delivery Date and such other information as may be specified in the Bill Payment Service Documentation).

“Scheduled Delivery Date” means the date by which you desire the payment to be made to the Payee, as selected by you.

“Scheduled Payment” is a payment that has been scheduled through the Bill Pay Service.

“Scheduled Send Date” means the date identified by the Bill Pay Service as the date the Scheduled Payment is to be sent to the Payee based on the Scheduled Delivery Date selected by you.

“Third Party Service Provider” means a third party engaged by Northwest FCS to provide or perform certain services to you on Northwest FCS' behalf.

## 2. General

You may only transmit Payment Instructions (or requests to cancel or modify Payment Instructions) to Northwest FCS through the Online Banking service, or any other system designated for the Bill Pay Service (“Bill Pay System”). You will designate the appropriate Account(s) that will be used to fund Scheduled Payments as made available by Northwest FCS.

An Account must remain open and accessible through online banking in order to use the Account for current, future and automatic (recurring) Bill Pay payments.

The Bill Pay Service is intended for your use only. Using the Bill Pay Service to process payments on behalf of someone other than an owner of the Account is prohibited.

## 3. Payment Scheduling

Scheduled Payments may be set up as one-time payments or recurring payments. You must select a Scheduled Delivery Date when scheduling a payment through the Bill Pay Service. You must allow sufficient time for Northwest FCS to receive and process Payment Instructions prior to the Scheduled Delivery Date. Payments must be scheduled in accordance with the timing and other requirements included in the Bill Pay Service Documentation.

## 4. Late Payments

Some Scheduled Payments may take longer to be credited to your account at a Payee due to circumstances beyond Northwest FCS's control, such as delays in handling and posting payments by Payees or financial institutions. Northwest FCS makes no representation or warranty to you that a Scheduled Payment will be received by the Payee or credited to your account at the Payee on or before the Scheduled Delivery Date. Regardless of the Scheduled Delivery Date selected by you, Northwest

FCS has no liability to you or Payee if you incur a late fee or other financial liability to a Payee arising from a delayed, undelivered, or late payment. Your use of the Bill Pay Service does not alter your obligations to your Payees. Northwest FCS is not acting as an agent of the Payee in accepting your Payment Instruction.

## 5. Payment Authorization and Payment Remittance

You authorize Northwest FCS to follow your Payment Instructions. To process payments more efficiently and effectively, Northwest FCS may edit or alter payment data or data formats in accordance with Payee instructions or as Northwest FCS otherwise determines is necessary. By making a Payment Instruction, you authorize Northwest FCS to debit your Account and remit funds on your behalf in accordance with the Payment Instruction. You further authorize Northwest FCS to credit the same Account for Scheduled Payments returned to Northwest FCS. Scheduled Payments will be received and accepted by Northwest FCS for debit to your Account pursuant to deadlines established by Northwest FCS from time to time. Certain information related to Scheduled Payments may be delayed before it is made available to you through the Bill Pay System.

## 6. Payment Methods/Limitations

Northwest FCS will select the method for remitting funds on your behalf to a Payee. These methods may include electronic payments, electronic to check payments, or payments by a physical check. Northwest FCS cannot control when certain payments (such as checks) will be presented to a Payee and it is possible for a payment to be presented before or after the Scheduled Delivery Date. We may use non-affiliated third parties acting on our behalf to process Payment Instructions and make Scheduled Payments. Scheduled Payments processed by non-affiliated third parties may show that they were drawn on the third-party processor, rather than on Northwest FCS. We do not monitor Scheduled Payments.

Northwest FCS may not be able to execute delivery of a Scheduled Payment if: (a) erroneous or incomplete information was provided by you in connection with a Payment Instruction; (b) a Payee cannot or will not accept a Scheduled Payment delivered through the Bill Pay Service; (c) the Scheduled Payment is suspected of being fraudulent; (d) the Payee is suspected of being a blocked entity under OFAC requirements; or (e) the Scheduled Payment is suspected of violating applicable law. Northwest FCS may impose and change limits on the amount of money that may be sent through the Bill Pay Service (on a per-transaction, daily or cumulative basis) from time to time without prior notice to you. Northwest FCS may reject any Payment Instruction which would result in a Scheduled Payment that would exceed your limits. To the extent required by law, we will notify you of such rejection, but otherwise have no obligation to do so.

The Bill Pay Service may not be used to transfer or deposit funds to another financial institution with the intent to deposit funds into a checking, savings, brokerage or other deposit type of account. We cannot guarantee correct delivery or routing and the Bill Pay Service does not cover this type of transfer. If you give us the name and address of a Payee, or an image of a payee bill or invoice, you authorize us to follow your Payment Instructions regarding that Payee.

If we receive a Payment Instruction and there are insufficient available funds in your Account to cover the Scheduled Payment, we may at our sole discretion:

- Pay the Scheduled Payment and overdraw your Account, or
- Decline the Scheduled Payment.

Any overdrawn balance on your Account will be governed by your agreements with us.

We are not liable for indirect, special, or consequential damages from using the Bill Pay Service.

## **7. Cancelling and Modifying Scheduled Payments**

A Scheduled Payment (including a recurring payment) may be cancelled or modified through the Bill Pay System, subject to any timing and other requirements set forth in the Bill Pay Service Documentation. You must allow sufficient time for Northwest FCS to receive and process a cancellation or modification of a Scheduled Payment prior to the Scheduled Send Date. There is no charge for cancelling or modifying a Scheduled Payment before Northwest FCS has begun processing that Scheduled Payment. Once Northwest FCS has begun processing a Scheduled Payment, that Scheduled Payment cannot be cancelled or modified. Northwest FCS has no liability to you or any Payee for any fees or other financial liability incurred in any way related to Northwest FCS's failure to implement (or to timely implement) any requested cancellations or modifications to a Scheduled Payment.

## **8. Stop Payment Requests**

Notwithstanding any provisions to the contrary in the Bill Pay Agreements or Bill Pay Service Documentation), Northwest FCS's ability to successfully stop payment on a Scheduled Payment that has been processed depends on how the funds were remitted to the Payee and the elapsed time since that payment was processed. Northwest FCS's ability to process a stop payment request on a Scheduled Payment made by check depends on whether or not that check has been presented for payment. If the Scheduled Payment was made electronically, Northwest FCS will generally not be able to stop the payment. If you desire to stop any Scheduled Payment that has already been processed, you must follow the instructions in the Bill Pay Service Documentation. Although Northwest FCS will attempt to accommodate your request to stop a Scheduled Payment, Northwest FCS will have no liability if it is unable to do so. You will incur fees for stop payment requests as determined by Northwest FCS from time to time.

## **9. Prohibited Payments**

Payments to Payees outside of the United States or its territories or payments prohibited by law, including payments to unlawful Internet gambling sites, may not be made through the Bill Pay Service. In addition, payments to or at the direction of government agencies, organizations and institutions, and payments made in response to a court-directed payment plan, may not be made through the Bill Pay Service. You will not submit any Payment Instructions with respect to any type of prohibited payment.

## **10. Payees**

Northwest FCS may refuse or cancel any Payee or any Payment Instruction at any time for any reason. It is your responsibility to maintain accurate Payee information. Occasionally, a Payee may choose not to accept payment through the Bill Pay Service or may require additional information before accepting payments. Northwest FCS is not liable or responsible for any action taken by a Payee.

## **11. Security Procedures**

The Security Procedures applicable to the Bill Pay Service are those set forth in Section 2 of Exhibit 3 to the Cash Manager Agreement, which is included in the Bill Payment Service Documentation. You acknowledge that those Security Procedures are commercially reasonable. The security procedures applicable to this service may change from time to time. By continuing to use the Bill Pay Service after any revision, you agree that such revised procedures are commercially reasonable.

## **12. Additional Provisions (Business Accounts Only)**

The provisions in this Section 12 apply to Scheduled Payments funded by business or commercial Accounts. For payment requests from such Accounts which are subject to Article 4A of the Uniform Commercial Code ("UCC 4A"), we are liable only for damages required to be paid under UCC 4A. We'll never be liable for any exemplary, special, indirect, or consequential loss, damage, costs or expense of any

nature, including, without limitation, lost profits, even if we have been informed of the possibility of such damages, except as may be required by law.

### 13. Termination

We may terminate your access to the Bill Pay Service at any time on sixty days advance notice to you. We may terminate your access to the Bill Pay Service without prior notice if you:

- Use the Bill Pay Service for unauthorized purposes;
- Close your Account and don't designate a new Account for the funding of Scheduled Payments.

If we terminate your use of the Bill Pay Service, your online bill payment information will be lost and all pending payments will be cancelled and are your sole responsibility.

If you decide to terminate your enrollment in the Bill Pay Service, you agree to cancel all future bill payments at the same time that you cancel your enrollment, either by deleting those payments yourself using Bill Pay or by contacting Northwest FCS by using the Online Banking support contact information provided on [www.northwestfcs.com](http://www.northwestfcs.com).

## MOBILE CHECK PROCESSING AGREEMENT

### AGREEMENT FOR MOBILE CHECK PROCESSING SERVICE THROUGH ONLINE BANKING (This is an Addendum to your Online Banking Agreement)

This addendum ("Mobile Check Addendum") contains the terms and conditions under which we will provide you with access to our service for remotely capturing and processing checks ("Mobile Check Processing"). Mobile Check Processing enables you to electronically capture and transmit an image of a Paper Check to Northwest FCS for credit to your Mobile Check Processing Account using a Mobile Device and the Mobile Check Capture Function. We may offer you this service in connection with Third Party Service Providers.

Capitalized terms that are used but not defined in this Mobile Check Addendum have the same meanings given to them in Part I of the Agreement. Your use of the Mobile Check Processing is optional. If you do enroll in the Mobile Check Processing, your use is subject to the terms and conditions set forth in this addendum and Part I of the Agreement. In addition to this Addendum, you may be required to provide additional information and agree to additional terms and conditions as they relate to the Mobile Check Processing Service (collectively the "Mobile Check Processing Agreements").

Electronic Checks transmitted through the Mobile Check Processing are also subject to the terms and conditions set forth in the Business Online Banking Service Schedule as Northwest FCS updates it from time to time. If there is a conflict between this Mobile Check Addendum and the Business Online Banking Service Schedule, this Mobile Check Addendum will control. Details regarding the functionality of the Mobile Check Processing Service and certain formatting and other technical requirements that you must follow when using the Mobile Check Processing Service are set forth in the Mobile Check Processing Service Documentation available from Northwest FCS, or Northwest FCS' Third Party Service Provider, and may be updated from time to time.

### 1. Definitions

"Authorized User" means a person with authority to take action on your behalf with respect to the Mobile Check Capture Function.

"Check 21" means the Check Clearing for the 21st Century Act (U.S. Public law 108-100) or any successor legislation.

“Device Specifications” means the specifications for Mobile Devices made available to you at the point of download and/or installation of the mobile banking application, as it may be updated from time to time.

“Electronic Check” means the electronic image of the front and back of each Paper Check, and is deemed to be an “item” for purposes of the Uniform Commercial Code.

“Electronic File” means an electronic file transmitted to Northwest FCS containing an Electronic Check and other information regarding the Paper Check submitted by you, including, but not limited to, the amount of the Paper Check.

“MICR” means magnetic ink character recognition.

“Mobile Check Capture Function” means that portion of the mobile banking application made available for use by your Authorized Users in connection with the Mobile Check Processing Service.

“Mobile Check Processing Account” means such loan or Future Payment Fund designated by Northwest FCS for Mobile Check Processing Services purposes, in each instance as determined by Northwest FCS from time to time.

“Mobile Check Processing Service Documentation” means documentation that describes the functionality of the Mobile Check Processing Service and certain formatting and other technical requirements that you must follow when using the Mobile Check Processing Service.

“Mobile Device” means a smart phone, tablet or other device that meets the Device Specifications.

“Paper Check” means an item that is in tangible written form.

“Paying Bank” means the bank on which an original Paper Check is drawn, or at or through which the original Paper Check is payable.

“Retention Period” means the period during which you retain the Paper Check after the Electronic Check is transmitted to Northwest FCS.

“Third Party Service Provider” means a third party engaged by Northwest FCS to provide or perform certain services to you on Northwest FCS’ behalf.

“Transaction” means a transaction initiated through the Mobile Check Processing service.

## **2. Creating Electronic Checks; Processing and Transmittal**

**(a) Endorsement Requirements.** Before capturing an image of a Paper Check, an Authorized User must manually endorse the original Paper Check in the manner required by the Mobile Check Processing Service Documentation.

**(b) Requirements for use of the Mobile Check Processing Service.** To create and transmit Electronic Files to Northwest FCS through the Mobile Check Processing Service, an Authorized User must: (1) use a Mobile Device on which the mobile banking application has been installed and the Mobile Check Capture Function activated; and (2) have Internet connectivity.

**(c) Responsibility for Mobile Device and Internet Connectivity.** Each Mobile Device is purchased, owned and maintained by you. Any warranties related to the Mobile Device are provided by the Mobile Device manufacturer or a third party vendor and are not provided by Northwest FCS. You are solely responsible for all aspects of the operation, use, and maintenance of the Mobile Device. Similarly, you are solely responsible for troubleshooting Internet connectivity issues with its mobile broadband and/or internet service providers.

**(d) Responsibility for Image Quality.** You are solely responsible for the image quality of each Electronic Check transmitted to Northwest FCS through the Mobile Check Processing Service. Northwest FCS does not guarantee image quality even if you use a Mobile Device meeting the Device Specifications.

**(e) Authorized Users.** You are responsible for: (1) notifying all Authorized Users of the endorsement requirements and other obligations of you set forth in this Addendum; and (2) ensuring compliance by each Authorized User with all such requirements, obligations and restrictions.

**(f) Content of Electronic File.** Each Electronic File must comply with the specifications outlined in the Mobile Check Processing Service Documentation. The Electronic File must include in a form acceptable to Northwest FCS, all data contained on each Paper Check necessary to create a substitute check, including: (1) an accurate and readable image of the front and back of the original Paper Check; (2) all necessary information from the MICR line of the original Paper Check that would permit a substitute check to be processed on standard check-sorting equipment; and (3) all other information required for the Electronic Check.

**(g) Processing of Electronic Checks.** For each Electronic Check eligible for processing, Northwest FCS will either:

- (1) create a substitute check that Northwest FCS will present directly or indirectly to the Paying Bank;  
or
- (2) present the Electronic Check as an electronic item (as defined by Applicable Law) directly or indirectly to the Paying Bank.

### **3. Acceptance by Northwest FCS; Provisional Crediting; Returns**

Electronic Checks transmitted to Northwest FCS for credit to a Mobile Check Processing Account through the Mobile Check Processing Service are not deemed to be credited until accepted by Northwest FCS. Northwest FCS has no responsibility for Electronic Files or Electronic Checks unless and until received by Northwest FCS. Electronic Checks that are received and accepted by Northwest FCS prior to the deadline established by Northwest FCS from time to time will be accepted for credit to your Mobile Check Processing Account as of the Business Day following the day of receipt. Electronic Checks received and accepted by Northwest FCS after the deadline will be accepted for crediting as of the second Business Day following the day of receipt. Funds represented by Electronic Checks will be made available to you as set forth in the Mobile Check Processing Service Documentation.

Crediting of each Electronic Check received through the Mobile Check Processing Service is provisional, and an Electronic Check may be returned for any reason permitted under the Mobile Check Processing Agreements or other reasons permitted under Applicable Law, including claims that a substitute check created from the Electronic Check does not meet legal equivalence requirements under Applicable Law or that the information provided is incomplete or inaccurate. Northwest FCS has no responsibility for the delayed return of any substitute check that includes any message text or other information added by you in the depository bank endorsement area on the Electronic Check. If a financial institution returns a transaction using an Electronic Check or substitute check to Northwest FCS for any reason, Northwest FCS may charge Mobile Check Processing Account(s) for the amount of the return and return the substitute check to you or re-present the Electronic Check or substitute check to the financial institution for payment. Returns will be made by Northwest FCS using the Electronic Check or substitute check as the charge-back item.

### **4. Exception Items**

**(a) Presentation of Electronic Checks.** You will transmit an Electronic Check to Northwest FCS only if the Paper Check is eligible for credit to your Mobile Check Processing Account (a) under the Mobile Check Processing Agreements, and (b) as an Electronic Check under this Mobile Check Addendum and the Mobile Check Processing Service Documentation.

**(b) Rejection of Electronic Checks.** Northwest FCS may, without liability to you, reject Electronic Checks Northwest FCS reasonably determines are ineligible for the Mobile Check Processing Service (each an "Exception Item"). An Exception Item includes an Electronic Check that:

- (1) is illegible or contains MICR data that is not machine-readable;
- (2) was previously processed as an Electronic Check;
- (3) is drawn on a financial institution located outside the United States and is not payable at or through a financial institution located within the United States;
- (4) did not originate from a Paper Check;
- (5) relates to a Paper Check that was not originally payable solely to you;
- (6) relates to a Paper Check that was not manually endorsed by you prior to the capture of that Electronic Check in accordance with the endorsement requirements set forth in the Mobile Check Processing Service Documentation;
- (7) does not meet image quality standards established by Northwest FCS from time to time; or
- (8) is identified as ineligible for the Mobile Check Processing Service in the Mobile Check Processing Service Documentation.

**(c) Notice of Exception Items.** Northwest FCS will notify you of each Exception Item through Northwest FCS's Online Banking service, or any other system designated for the Mobile Check Processing Service ("Mobile Check Processing System") or other communication channel at Northwest FCS's discretion.

**(d) Presentation of Exception Items.** You may present an Exception Item for credit to your Mobile Check Processing Account only in a manner acceptable to Northwest FCS as set forth in the Mobile Check Processing Service Documentation or as otherwise directed by Northwest FCS.

**(e) Failure to Identify Exception Item.** Even if Northwest FCS does not identify an Exception Item when Northwest FCS processes the Electronic File that includes the Exception Item, the substitute check or purported substitute check Northwest FCS creates from the Electronic Check may be returned to Northwest FCS because, among other reasons, the Paying Bank determines it is illegible or missing an image or for any other reason. Northwest FCS's failure to identify an Exception Item will not limit your obligations to Northwest FCS under this Mobile Check Addendum.

## 5. Security Procedures

The Security Procedures applicable to Mobile Check Processing are those set forth in Section 2 of Exhibit 3 to the Cash Manager Agreement, which is included in the Mobile Check Processing Service Documentation. You acknowledge that those Security Procedures are commercially reasonable. The security procedures applicable to this service may change from time to time. By continuing to use Mobile Check Processing after any revision, you agree that such revised procedures are commercially reasonable.

## 6. Customer's Covenants; Representations and Warranties

The covenants, representations, and warranties set forth in this Addendum survive its termination.

**(a) You covenant to:**

- (1) use the Mobile Check Processing Service only for Paper Checks originally payable solely to you;

- (2) transmit to Northwest FCS only Electronic Checks representing Paper Checks that have been manually endorsed by you in the manner set forth in the Mobile Check Processing Service Documentation;
- (3) transmit to Northwest FCS only Electronic Checks suitable for processing, including legible Electronic Checks containing machine-readable MICR data drawn on financial institutions located in the United States and in U.S. Dollars;
- (4) not transmit to Northwest FCS any Electronic Check that duplicates an Electronic Check previously transmitted to Northwest FCS, a Third Party Service Provider or any other financial institution for processing or that did not originate as a Paper Check;
- (5) maintain control over, and sole responsibility for, secure retention and destruction of each original Paper Check for which you have created an Electronic Check (including the security and integrity of nonpublic personal information appearing on the original Paper Check throughout the transmission flow and while in storage) and properly secure all equipment and software you use in connection with the Mobile Check Processing Service at all times, including the Mobile Check Capture Function;
- (6) not renegotiate any original Paper Check or any image of a Paper Check with respect to which you have transmitted an Electronic Check to Northwest FCS or any other party, unless Northwest FCS has notified you that the Electronic Check is an Exception Item;
- (7) not electronically transmit to Northwest FCS or any other party any Item representing the funds represented by the original Paper Check;
- (8) establish policies and procedures to ensure that original Paper Checks cannot be renegotiated;
- (9) establish policies and procedures to detect fraudulent Paper Checks and to ensure that a Paper Check is suitable, legally and practically, for conversion to a substitute check; and
- (10) establish a policy for retention of the original Paper Checks for a Retention Period that is a minimum of fourteen (14) calendar days from the date the Electronic Check is transmitted to Northwest FCS. During the Retention Period, you will, upon Northwest FCS's request, provide the original Paper Check or an imaged copy of the original Paper Check to Northwest FCS immediately upon request. You may retain original Paper Checks for a longer period; however, such Paper Checks must be retained in a secure manner and you assume all liability for the loss or theft of the original Paper Checks and for the presentment of such Paper Checks in any manner to Northwest FCS or any other financial institution. If you receive notice from Northwest FCS or any third party of any dispute with respect to an Electronic Check or the underlying Paper Check prior to the time the original Paper Check is destroyed, you will retain the original Paper Check until Northwest FCS provides you notice that such dispute has been fully resolved. You will promptly provide any original Paper Check in your possession to Northwest FCS at Northwest FCS's request. You will, at your expense, destroy the original Paper Checks at the expiration of the Retention Period through a commercially reasonable method of destruction designed to render the Paper Check and information contained on the Paper Check unusable and unreadable.

**(b) Representations and Warranties.** Each time an Electronic Check is transmitted to Northwest FCS, in addition to your representations and warranties made elsewhere in the Mobile Check Processing Agreements, you make: (i) all of the representations and warranties under Check 21 and Applicable Law that any person, acting as a "reconverting bank" under Check 21, makes under Applicable Law; (ii) the same representations and warranties made by any person in forwarding the Electronic Check under Applicable Law; and (iii) all other encoding, transfer, presentment, and other warranties made under Applicable Law as if the Electronic Check were a Paper Check. You further represent and warrant to Northwest FCS that:

- (1) the preparation and presentment of the Electronic Check complies with this Addendum and the Mobile Check Processing Service Documentation;
- (2) the Electronic Check contains all information required to be accurately captured pursuant to this Addendum and the Mobile Check Processing Service Documentation and such information represents all information on the front and back of the Paper Check and specifically includes all MICR line information needed to create a substitute check or draft;
- (3) the original Paper Check was not altered or modified, except for the addition of any necessary endorsement;
- (4) the original Paper Check is not a “remotely created check” as that term is defined in Regulation CC;
- (5) neither the original Paper Check nor any paper or electronic representation of the original Paper Check has been previously presented to Northwest FCS for credit to any Mobile Check Processing Account or to any other financial institution for deposit, or otherwise negotiated to any party; and
- (6) You will permanently remove the original Paper Check from the forward collection process and will destroy the original Paper Check after the Retention Period.

## **7. Indemnification**

In addition to your other indemnification obligations of under the Mobile Check Processing Agreements, you will indemnify and hold Northwest FCS harmless from and against all claims and losses relating in any way to Northwest FCS or its third party service provider acting as a “reconverting bank” under Check 21 through the creation of “substitute checks” or purported substitute checks using an Electronic Check, an Exception Item, or an Electronic File, including consequential damages.

## **8. Transaction Limits**

Northwest FCS may establish limits on your Transactions through the Mobile Check Processing Service. You acknowledge that such Transaction limits, if any, are solely for the protection of Northwest FCS. Northwest FCS may reject or suspend processing of one or more Electronic Check(s) if any Transaction exceeds your Transaction limits. You will promptly notify Northwest FCS if you anticipate a significant increase in the dollar amount of Transactions to be processed through the Service. Northwest FCS may change the amount of your Transaction limits from time to time.

## **9. Financial Information and Inspection**

Upon request by Northwest FCS, you will permit Northwest FCS to audit or review your compliance with this Addendum and the Mobile Check Processing Service Documentation. You acknowledge that Northwest FCS may mandate specific internal controls for your location(s) and/or your Authorized Users and Mobile Devices and you will comply with any such mandate. In addition, you will allow Northwest FCS to review available reports of independent audits performed at your location and of your equipment, including Mobile Devices, related to information technology, the Services and any associated operational processes. Upon request by Northwest FCS, you will promptly and accurately complete a self-assessment of your operations, management, staff, systems, internal controls, use of Mobile Devices, training and risk management practices that would otherwise be reviewed by Northwest FCS in an audit of you.

## **10. Hours of Access**

The Mobile Check Capture Function will generally be available twenty-four (24) hours per day, seven (7) days per week. However, at certain times, some or all of the Mobile Check Capture Function may not be

available due to system maintenance or failure. Northwest FCS is not responsible for your inability to access the Mobile Check Capture Function for any reason. Certain information may be delayed before it is made available on the Mobile Check Capture Function.

## **11. System Availability**

During any period of time in which the Mobile Check Processing Service is unavailable, you may mail Paper Checks to the local Northwest FCS office from time to time for credit to your Mobile Check Processing Account or take such other actions as directed by Northwest FCS.

*Online Banking Agreement dated May 1, 2017*