

REMOTE DEPOSIT CAPTURE SERVICES AGREEMENT

Last Updated: May 10, 2023

This Remote Deposit Capture Services Agreement (this “Agreement”) governs your use of the remote deposit capture Services. The Services allow you to create Images of Eligible Items that you receive and then Transmit those Images to us for deposit into an Account as provided by the Program. We will then attempt to process and collect these deposited Images for payment. As used in this Agreement, the words “we”, “our”, and “us” refer to Bank and Priority and our respective successors, affiliates, or assignees; and the words “you”, and “your” refer to the Business or other Account owner, on behalf of itself and any individual it has authorized to use the Services to deposit funds into the Account.

I. Your Agreement with Us

1. This Agreement contains the terms for our Services. You agree to the terms of this Agreement when you enroll to use the Services and each time you use the Services.

2. The meanings of the capitalized terms appear in the **Glossary** Section at the end of this Agreement. The terms of this Agreement are in addition to the other agreements, terms, conditions, disclosures, software and fee schedules you have from us related to your Account. If there is a disagreement between the terms in this Agreement and those in other agreements related to the Services, this Agreement will control.

II. Business Customers

Each Business that we allow to use the Services must be organized, licensed and authorized to do business in the U.S. as the law requires. Each Business permitted to use the Services will only allow Authorized Representatives to use the Services in connection with any Account owned by the Business.

III. Image Transmission, Processing and Payment

1. All Images you Transmit to us using the Services must be legible and meet our Program requirements including hardware and software requirements such as required Mobile Devices, operating systems and camera specifications. All required hardware and software will be at your expense.

2. The information you Transmit to us must meet the requirements to create a Substitute Check (including all MICR-line information) and contain the correct amount of the Eligible Item. Also, each Image must meet the technical requirements of an “electronic item” under Regulation J and Federal Reserve Operating Circulars (<https://www.frbservices.org/resources/rules-regulations/operating-circulars.html>). Additional requirements will be included in the Program.

3. When you Transmit an Image to us, you agree that the Image is an “item” as defined by the UCC and is the legal equivalent of the Eligible Item for all purposes, including our qualifying as a holder-in-due-course for it as described by the UCC.

4. We can attempt to process, collect, present for payment, return or re-present your Images in any way we choose that is allowed. This includes as Images under private agreement or clearinghouse rules, as automated clearinghouse (ACH) entries under the National Automated Clearinghouse Association

(NACHA) rules, through a Federal Reserve payment service under Regulation J and Federal Reserve Operating Circulars, or as Substitute Checks.

5. We can reject any Image for any reason at our option and without liability, even where we have provided you with a confirmation notice. If your image is rejected, it will not appear in your Transactions Tab. You will need to try again and redeposit the image. Do not destroy your check until you see the full deposit amount posted in your Transactions Tab, and the transaction is marked “completed”.

6. If an Image does not meet our Program processing requirements, at our option, we can also: (1) process the Image as received for payment; (2) correct the Image or its accompanying data and process the corrected Image for payment; (3) process the deposit for payment in another format as allowed; or (4) debit (chargeback) your Account for the amount of the Image. If you request a copy of the charged back image, we can return it to you in any way we choose including as an image along with its accompanying data or as a Substitute Check.

7. When you successfully Transmit an Image to us, it will appear in your Transactions Tab. This does not mean that your Transmission and deposit are complete. All of your Images are subject to our further verification prior to being accepted for deposit and final payment after deposit. Do not destroy your check until you see the full deposit amount posted in your accounts Transactions Tab, and the transaction is marked “completed”.

IV. Eligible Items for the Services

The Services can only be used for Eligible Items. Certain items are not eligible for the Services, and you will not Transmit them to us. These include items that: (1) are not payable in U.S. currency; (2) are not drawn on a financial institution located in the U.S.; (3) are payable to someone other than you; (4) are money orders, savings bonds, or traveler’s checks; (5) are checks authorized over the telephone and created remotely (these are sometimes called “remotely created checks” or “telephone checks”); (6) are images of a check that never existed in paper form (these are sometimes called “electronically created items”); (7) must be authorized or activated by us to prior to being deposited; (8) have already been deposited by or returned to you; (9) are not legible or do not conform to our Image processing standards; (10) contain alterations or that you suspect, or should suspect, are fraudulent, not authorized, suspicious or not likely to be honored; or (11) are not dated, post-dated, or more than 6 months old when Transmitted.

V. Limits for the Services

The Services are provided at no additional charge to you. The Services are subject to limits, including daily and monthly limits, on the dollar amounts of Images you can Transmit. We can modify these limits and add others at any time at our option. We do not need to tell you if we believe a transaction limit is necessary to maintain or restore the security of an Account, the Services or the Program.

VI. Your Handling of the Original Eligible Item

When you Transmit an Image to us, you will still have possession of the original Eligible Item. In order to further prevent an additional submission of the original Eligible Item for payment, you will take the following steps: (1) before you Transmit an Image to us, you will endorse (write your signature or Business name and signature if you are a Business) on the back of the original Eligible Item followed by the words “for mobile deposit only” or as we otherwise tell you; (2) you will keep the original Eligible Item in a safe place for no less than 14 days after you see the deposit in your Transactions Tab, and that the transaction is marked

“completed”; and (3) after such 14-day period, you will destroy the original Eligible Item by shredding it or cutting it up or marking it “VOID” on the front of the Eligible Item.

VII. Availability of Your Deposits using the Services

Eligible Items deposited using the Services are not subject to the funds availability requirements of Regulation CC. This will be true even if we provide you with Regulation CC disclosures or notices. For deposits made using the Services, we will generally follow Section 4 of the Passport Account Agreement (as may be amended and replaced from time to time, the “**Funds Availability Policy**”).

After you Transmit an Image to us, we can place an extended hold on your deposited funds as described in our Funds Availability Policy. If we do, we will contact you to let you know when you can expect your funds to be available for withdrawal. You agree that we can include deposits made using the Services in deciding to place large deposit extended holds as described in our Funds Availability Policy.

VIII. Cutoff times for Deposits using the Service

If you successfully Transmit an Image to us before the cutoff time of 4:00 p.m. Eastern Time for the Account on a Business Day that we are open, we will consider that day to be the day of your deposit. After that time or on a day we are not open, we will consider the deposit to be made on the next Business Day that we are open.

IX. Notices

In addition to notices we send to your Mobile Device, we may also send you notices about the Services in other ways the law allows including by automated (autodialed) text message, e-mail, regular mail, or website postings. Any notices that are provided will be your record of your transactions using the Services. We may send you notices and information about the Services or this Agreement electronically as described in the Passport Account Agreement. You agree that you are able to receive, read, store and print information that we send to you electronically as described. To help us communicate with you about the Services, you will give us your current telephone, mailing and e-mail addresses and promptly let us know when any of these items changes, along with the updated information.

X. Deposit Error; Chargeback

You agree to notify us, by sending an email to support@prioritypassport.com, noting “Deposit Error” on the subject line, of any suspected errors regarding items deposited through RDC right away, and in no event later than 60 days after the applicable account statement is sent or made available to you. Unless you notify us within 60 days, such Statement regarding all deposits made through RDC shall be deemed correct, and you are prohibited from bringing a claim against us for such alleged error.

We can chargeback your Account or any other account you have with us for the amount of any item, its image or any paper or other electronic representation of an item that is: (1) returned to us; or (2) is rejected by us for any reason including where we believe it has been previously submitted or deposited with us or with anyone else. This is true even if you have made withdrawals against it. We can also charge fees connected to the chargeback as described in your fee schedule and other agreements with us.

XI. Security

You are responsible for protecting your Mobile Device against unauthorized use as well as any losses and damages from unauthorized access. You will set up strong passwords and take other reasonable security precautions to protect your Mobile Device from unauthorized use. We are not responsible or obligated for any of these security precautions. You will also: (1) keep your passwords secret and change them regularly; (2) limit access to your Mobile Device and passwords to those who have a legitimate need for them; (3) supervise all people that you allow to use the Services; (4) regularly monitor access and use of the Services including promptly reviewing your Account statements; (5) tell us immediately when your Mobile Device is lost or stolen or you believe there has been any unauthorized activity involving the Services; and (6) promptly change your passwords and remove anyone who is no longer authorized to use the Services.

XII. Service Disruptions

The Services might not be available from time to time due to maintenance, technical problems or other reasons. We are not responsible if the Services are not available.

XIII. No Warranties

WE MAKE NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE SERVICES OR THE PROGRAM, WHICH ARE PROVIDED ON AN “AS IS” BASIS. FOR EXAMPLE, WE MAKE NO WARRANTY THAT THE SERVICES OR PROGRAM WILL BE AVAILABLE, TIMELY, SECURE OR ERROR FREE. WE ALSO DISCLAIM ALL IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

XIV. Limitation of Liability

WE WILL NOT BE RESPONSIBLE FOR: (1) ANY DAMAGES, INCLUDING LOST PROFITS, LOST SAVINGS OR OTHER DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF THE USE OR INABILITY TO USE THE SERVICES OR THE PROGRAM; OR (2) ANY CLAIM BY ANOTHER PERSON OR PARTY REGARDLESS OF OUR ACT OR OMISSION AND EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

XV. Privacy Notice

We understand how important privacy and confidentiality are to you. Please consult our privacy policy at <https://prth.com/privacy-policy/>, which is considered part of this Agreement. By executing this Agreement, you acknowledge that you have read and accepted our privacy policy.

XVI. Your Additional Promises to Us

You also promise that:

- your Account is in good standing;
- all users of the Services will be authorized to make transactions on the Account;
- if another person uses the Services with your Mobile Device, you will be responsible for their actions on the Account as well as anyone else they allow to use your Mobile Device. This will be true even if you did not want, or agree to, their use;

- if your Account is a Business account, you will use the Services only for Business transactions and not for personal use; and if your Account is a personal account, you will use the Services only for personal transactions and not for business use;
- you will only Transmit Images of Eligible Items to us;
- you will follow all of our Program requirements and our instructions for using the Services;
- all information you provide to us is accurate;
- the front and back of each Image you Transmit to us accurately shows all information on the Eligible Items and satisfies all of our Program requirements including our imaging and processing requirements;
- each Image you Transmit to us and all signatures appearing on it are genuine and authorized;
- the Eligible Item has not been previously submitted or deposited with us or with anyone else and will not be again unless we tell you to;
- when we send you a notice on your Mobile Device confirming that you have successfully Transmitted an Image to us for deposit, you will not negotiate, transfer, transmit, deposit or present the Eligible Item or a duplicate of it in any form;
- after Transmission to us, you will not have the Eligible Item stopped or cancelled, or have a replacement issued;
- no person or party will receive presentment, return of, or otherwise be charged for, the original Eligible Item, its Image or a paper or electronic representation of the original Eligible Item such that that person will be asked to make a payment based on an Eligible Item that it already has paid; and
- you will follow all laws, regulations, and terms related to the Services including those in this Agreement, and those in the rules for the Account, as well as the Program requirements.

XVII. Indemnification

You will indemnify, defend and hold us harmless for any loss or causes of action for your breach of any promises you make to us in this Agreement or otherwise, as well as any warranty or indemnity we provide in connection with the processing, collection, presentment for payment, return or re-presentment of an Image or other item transmitted to us using the Services.

XVIII. Modification, Suspension or Termination

We can at any time at our option and without liability to you change any part of this Agreement or the Services. If we do, we will tell you about the changes we have made. The most up-to-date version of this Agreement will be at <https://prioritycommerce.com/enterprise-payments/passport/legal-terms/>, and you should review it on a regular basis. When you later use the Services you agree to all changes we have made. We can also suspend your use of the Services or terminate this Agreement without notice to you. You can terminate this Agreement at any time by notifying us and discontinuing your use of the Services.

XIX. Assignment

You cannot assign this Agreement or your rights and obligations under it to someone else without our permission. We can assign this Agreement and our rights and obligations to someone else without your permission or prior notice to you. They will then take our place under this Agreement.

XX. Services and Program Ownership

The Services and the Program are owned and operated by us, are the property of us or our third-party licensors and could be protected by intellectual property and/or proprietary rights and other restrictions. You can only use the Services and the Program as we allow, and we reserve all of our rights to them that are not provided for in this Agreement.

XXI. Additional Terms

- We can add eligibility requirements for using the Services at any time.
- Your rights and obligations in the event of an error in connection with the Services are described in the Passport Account Agreement.
- This Agreement will be governed by federal law and, where applicable, by the laws of the State of Georgia whether or not you live in that state or use the Services in that state.
- The Services could be affected by the terms of other agreements you have with other parties including those for your Mobile Device and your mobile service. We have no responsibility or obligations under any of these agreements, and this Agreement will not change any of your rights and obligations under them.
- Any “memo” field we provide on your Mobile Device in connection with the Program and the processing of your Images will be only for your use and future reference. We will not review or be obligated by anything you enter into this field. Do not include sensitive or confidential information like Social Security or account numbers in the “memo” field.
- We do not charge for use of the Services, but message and data rates could apply from your mobile service provider;
- If any provision of this Agreement is found to not be enforceable, the other provisions of this Agreement will remain valid and enforceable. You and we will work in good faith to substitute other enforceable terms that are similar to those that are unenforceable.
- Our failure to enforce any term(s) of this Agreement will not be a waiver or affect our right to later enforce that term.
- This Agreement will bind and benefit all of your and our successors and assignees.
- Your promises to us – including your indemnification of us - will continue even after this Agreement ends;
- We can audit your use of the Services to confirm your compliance with this Agreement. You will cooperate and provide all information and documents we reasonably ask for related to the Services or the Program.
- All of our affiliated entities and parties you indemnify in the Agreement will be third party beneficiaries of this Agreement and entitled to directly rely on its provisions and enforce it. No other person or party will have rights or claims us under this Agreement.
- A photocopy or other image of this Agreement can be used as the original.

XXII. Glossary

“**Account**” means the Passport Account as defined in the Passport Account Agreement.

“**Agreement**” means this Remote Deposit Capture Services Agreement, as amended from time to time.

“**Authorized Representative**” is a person who is authorized by the Business in a way that is acceptable to us to access and make transactions on the Account including using the Services.

“**Bank**” means the state or federally chartered financial institution that, together with Priority, makes available the Account to you.

“**Business**” is the business entity that owns the Account. This can be a sole proprietorship, partnership, corporation (including non-profit corporation), limited liability company, government entity, or other legal form of doing business.

“**Business Days**” are all days except Saturday, Sunday and federal holidays.

“**Eligible Items**” are paper items that are defined as checks by Regulation CC and other paper items (not prohibited by this Agreement or rejected by us) to be converted into Images and deposited into your Account using the Services.

“**Image**” is an accurate electronic picture or replica of the front and back of an Eligible Item and related deposit information that you Transmit to us and attempt to deposit into your Account using the Services.

“**Mobile Device**” is your mobile telephone, computer, tablet or other device and associated software used to access and use the Services.

“**Passport Account Agreement**” refers to the Passport Account Agreement you have entered into with us that governs the use of the Account. A copy of the Passport Account Agreement is accessible [here](#).

“**Priority**” means Priority Technology Holdings, Inc., a Delaware corporation, together with its subsidiaries.

“**Program**” means all of the computer software, computer code, design, visual interfaces, graphics, information, data, services, documentation and other materials associated with the Services.

“**Regulation CC**” refers to the regulations regarding the availability of funds and collection of checks, published in 12 CFR part 229, that are adopted by the Board of Governors of the Federal Reserve System pursuant to the Expedited Funds Availability Act, each as amended from time to time.

“**Regulation J**” refers to the regulations regarding the collection of checks and other items by Federal Reserve Banks and funds transfers through the Federal Reserve System, published in 12 CFR part 210, that are adopted by the Board of Governors of the Federal Reserve System.

“**Services**” mean our remote deposit capture services that allow you to use a camera on your Mobile Device to create Images of Eligible Items and send and deliver those Images electronically to us or our processing agent for deposit into your Account.

“**Substitute Check**” is a paper reproduction of an original check created from an electronic image that meets certain requirements described in Regulation CC. These are sometimes called “image replacement documents” or “IRDs”.

“**Transactions Tab**” refers to the section on your online Account portal where you will see transaction items and the status of such transactions.

“**Transmit**” or “**Transmission**” means to send and deliver an Image electronically to us or our processing agent for deposit into your Account using your Mobile Device as provided by the Program.

“UCC” is the Uniform Commercial Code as adopted in the State of Georgia.