



Remote Deposit Capture Service Agreement

This Remote Deposit Capture Service Agreement (the "Agreement") is entered into as of _____, 20____, by and between The Bank of Delmarva ("Bank") and _____ ("you"). Bank and you agree as follows:

1. Remote Check Deposit. Bank will provide services ("Services") that permit you to submit electronic check images and associated information ("Check Images") to Bank for deposit to your deposit account(s) listed in the attached **Exhibit A** in lieu of certain original checks ("Original Check" or "Original Checks"). You agree to the daily deposit limits specified in the attached **Exhibit A**, as modified from time to time by Bank.

You acknowledge that Bank, in providing the Services, may utilize and rely upon one or more third party service providers, including, but not limited to, Profit Stars (described below in Paragraph 2), to provide file acknowledgement, file transmission, database storage, database access, data communications, and other services to Bank.

You will submit Check Images in conformance with the terms of this Agreement, in such format, with such information, as Bank requires from time to time; and as provided in Paragraph 4 below. Check Images only may be submitted for checks drawn on financial institutions located in the United States. Exception items must be deposited in person at a branch location. Check Images may not be submitted for Original Checks drawn by you or your affiliates, for "substitute checks" as defined by federal law, or for money orders. Prior to imaging, each check will be properly endorsed by you "For deposit only to account XXXXX", where XXXXX is the account number of the account in which deposit is to be made. Before scanning Original Checks, you will determine the total amount of the Original Checks to be deposited ("Pre-Scan Total"). After scanning and before transmitting a Check Image file to Bank, you will confirm that the Pre-Scan Total equals the dollar amount total of the Check Images contained in the Check Image file.

Check Images initiated and approved on a Banking Day before the daily cut-off time established by Bank from time to time are posted to your account the same day. Check Images initiated and approved on a Banking Day after the daily cut-off time established by Bank from time to time are posted to your account on the next Banking Day. Every day is a "Banking Day" except Saturdays, Sundays and federal holidays. Availability of deposits is based on Bank's normal availability schedule in effect from time to time.

2. Services. The Services include the Application and the Scanner Equipment. The Application resides on servers located at Profit Stars and is made available to Bank customers by means of the Internet. Bank grants you a limited, non-exclusive, and non-assignable right and license to have access to, and use of, the Application in accordance with the terms of this Agreement. Upon Bank's acceptance of this Agreement, Bank will provide you with login access to the Application. If Bank provides you with software from time to time, Bank grants to

you a limited, non-exclusive, and non-assignable sub-license to use the software (the "Licensed Software") in connection with the Services. Bank may install the Licensed Software on your hardware. The Licensed Software includes all printed or tangible materials delivered by Bank to you in connection therewith and all error corrections and new releases that are provided by Bank, but does not include source code.

The Application may be used solely in connection with the Services and may not be used by you for any other reason. You may not grant any sublicenses to the Application. You agree that you will not reverse assemble, reverse compile, or reverse engineer the Application in whole or in part and that you will not modify or alter the Application. The Application does not include various third party operating systems and applications that will be required to use the Application. You will be solely responsible for such third party software. You acknowledge that the Application contains trade secrets and other proprietary and confidential information, whether or not the Application contains any copyright or other proprietary notice. You agree to take commercially reasonable precautions to protect the confidentiality of the Application. You (a) will not print, copy, or duplicate any portion of the Application, (b) will not alter any copyright notices on the Application, (c) will not make the Application available in any form to anyone except your employees and agents for purposes specifically related to your authorized use, (d) will take appropriate action with any persons permitted access to the Application to inform them of the confidential nature thereof and to obtain their compliance with the terms of this Paragraph; (e) only will use the Application for your internal business use and not for the benefit of any other person or entity; and (f) will comply with all Bank procedures and requirements for use of the Application. You will insure, prior to disposing of any media, that any materials relating to the Licensed Software have been erased or otherwise destroyed. The provisions of this Paragraph will survive termination of this Agreement.

3. Equipment. Bank will install Bank-owned equipment identified on Schedule A ("Scanner Equipment") at your premises so that you may transmit Check Images to Bank. You may use the Scanner Equipment solely to transmit Check Images to Bank and may not use the Scanner Equipment for any other purpose. You agree to use the Scanner Equipment as directed by Bank, and you agree not to damage it or use it in a way that may cause more than normal wear and tear. Bank is not obligated to but may maintain, service, and repair the Scanner Equipment, and if Bank elects to, Bank will only do so during banking hours at Bank's convenience.

At your sole expense, you must acquire all other equipment, computer software and telecommunication services necessary for the Services, furnish necessary electrical connections to the Scanner Equipment, supply necessary electrical current for the operation of the Scanner Equipment and provide access to telephone outlets required for the Scanner Equipment. You will be responsible for all monthly telephone service charges regarding the Scanner Equipment. You will arrange with established telecommunication companies for the transmission of data between you and Bank, and Bank will have no responsibility with respect to such companies or their services.

You will return the Scanner Equipment to Bank in substantially the same condition as when received, normal wear and tear excepted, within 60 days after the termination of this Agreement. If you fail to return the Scanner Equipment after any termination, you will pay Bank's fees and charges related to such Scanner Equipment.

4. Check Image Quality. You will ensure that the following information in the Check Image can be clearly read and understood by sight review:

- A. Amount of the Original Check as written or printed in words and numbers by the drawer;
- B. Payee of the Original Check as written or printed by the drawer;
- C. Signature of the drawer of the Original Check;
- D. Date of the Original Check as written or printed by the drawer;
- E. Check number of the Original Check as written or printed on the Original Check;
- F. Any information identifying the drawer and the paying bank that is preprinted on the Original Check;
- G. MICR line of the Original Check; and
- H. All other information placed on the Original Check prior to the time the image of the Original Check is captured, including but not limited to any required identification and any endorsements.

You will ensure that each Check Image meets all standards for image quality established by the American National Standards Institute, Board of Governors of the Federal Reserve System or any other applicable regulatory agency, the Federal Reserve Banks, and any clearinghouse or association.

You will ensure that each Check Image contains in the appropriate field the following information pertaining to the MICR line of the Original Check:

- I. Routing Transit Number;
- J. Account number on which the Original Check was drawn;
- K. The amount of the Original Check (if there is a discrepancy between the word amount and the number amount of the Original Check, the word amount controls); and
- L. If present in the Original Check, the serial number and the process control field of the Original Check.

5. Acceptance, Rejection, and Correction. A Check Image is deemed to have been "accepted" and received by Bank for deposit to your account when Bank has received the Check Image file and has acknowledged to you receipt of the Check Image via e-mail. You are responsible for determining whether a Check Image has been received by Bank. In Bank's sole discretion, Bank may reject any Check Image. Bank may correct the amount of any deposit by debiting or crediting your deposit account(s) within a reasonable time after discovery of an error.

6. Check Image Deposits. Check Image deposits are subject to all provisions of the deposit account agreements between you and Bank that apply to check deposits. After a Check Image has been submitted to Bank, you will mark each Original Check "processed". You will retain the Original Check for 60 days from the date the Check Image is submitted to Bank (or a longer period if Bank so instructs you in writing) and you will supply the Original Check to Bank within 3 days after Bank's request. You agree to retain the Original Check for any longer period of time during which any dispute concerning an Original Check may exist. In addition, if you believe that you are required to retain Original Checks for longer than 60 days, you will provide Bank with a written explanation describing such requirement(s). You understand that you will be responsible if any person receives presentment or return of, or otherwise is charged for, the Original Check or a paper or electronic representation of the Original Check such that the person will be asked to make a payment based on an Original Check that it already has paid. To reduce the risk of a second presentment and maintain the security of Original Checks, you will: (i) maintain Original Checks at all times in a secure location; and (ii) use a commercially reasonable method

approved by Bank to destroy Original Checks promptly after your retention period has expired. You acknowledge that the Check Image thereafter will be the sole evidence of the Original Check. You acknowledge that if Check Images are dishonored and returned unpaid for any reason, Bank may charge back the Check Image to your accounts. You understand that the Original Check will not be returned to you, but Bank may provide you with an image of the Original Check, a paper reproduction of the Original Check, or a substitute check. You will notify Bank immediately by telephone (410-548-7892) with written confirmation (to Bank's address specified at the end of this Agreement) if you learn of any loss or theft of Original Checks.

7. Service Availability. Generally, the Services may be used 7 days a week, 24 hours a day, provided, however, that Check Images only will be posted to your account as provided in Paragraph 1. Access to the Services may be suspended on a regular basis for maintenance. Bank will use commercially reasonable efforts to cause the Services to be accessible to you, except for scheduled maintenance and required repairs, and except for any interruption due to causes beyond the reasonable control of, or not reasonably foreseeable by, Bank, including, but not limited to, any Force Majeure Event as defined in Paragraph 10. In the event of any interruption or failure of the Service, other than as permitted by this Paragraph, you will promptly notify Profit Stars by calling Profit Stars customer support at 1-877-433-3812 and Bank at 410-548-7892. You acknowledge and agree that in the event Services are unavailable for your use, you are responsible to identify and implement contingency measures for making deposits to Bank regardless of the cause or causes of the Services becoming and remaining unavailable. In the event Services are unavailable to you, you may deliver deposits to Bank in person, or, if you and Bank have agreed to separate night depository terms, you may use Bank's night depository service.

8. Your Representations, Warranties and Covenants. You represent and warrant that you have taken all necessary action to authorize the execution, delivery, and performance of this Agreement; and that you have duly executed this Agreement. With respect to each Check Image, you represent, warrant and agree that:

- a. The Check Image accurately represents all of the information on the front and back of the Original Check as of the time the Check Image is submitted to Bank and all of this information is legible on the Check Image;
- b. The person on whose account the Original Check is drawn authorized the issuance of the Original Check in the amount stated on the Original Check and to the payee stated on the Original Check;
- c. No person will receive presentment or return of, or otherwise be charged for, the Original Check or a paper or electronic representation of the Original Check such that the person will be asked to make a payment based on a check that it already has paid; and
- d. With respect to each Check Image, you make to Bank all representations and warranties that Bank makes or is deemed to make to any party pursuant to law, regulation or clearinghouse rule, and you make to Bank all warranties as defined in the Check Clearing for the 21st Century Act made by the Reverting and Truncating Bank (a copy of the Act may be accessed at: <http://www.gpo.gov/fdsys/pkg/PLAW-108publ100/pdf/PLAW-108publ100.pdf>).

9. Privacy, Security, and Internal Controls. You will implement appropriate document management procedures to ensure the safety and integrity of deposited items from the time of receipt until the time of destruction of the Original Checks. You will take reasonable measures to safeguard your computer systems. You will perform a security assessment and/or review with Bank from time to time at Bank's request. You are responsible for keeping all users' names and passwords secret and confidential, and for any communications or transactions that are made using your user names and passwords and any other obligation which may result from such use. You are responsible for requesting a new user name and password if you believe that any of

your user names or passwords have been stolen or might otherwise be misused. Any security procedures required in connection with the Services are strictly confidential and will be disclosed only to those employees and agents of the parties who are required to know them. You will report any breach of confidentiality or security promptly to Bank.

You will limit access to the Scanner Equipment and the Original Checks to your employees involved in the submission of Check Images to Bank. You will ensure that none of these employees are a national of a designated blocked country or "Specially Designated National," "Blocked Entity," "Specially Designated Terrorist," "Specially Designated Narcotics Trafficker," or "Foreign Terrorist Organization" as defined by the United States Office of Foreign Assets Control. You will notify Bank promptly of changes in status of employees involved in the submission of Check Images to Bank. We will require you to designate a Remote Deposit Capture Service Administrator ("Administrator") to be the only person who contacts Bank concerning needed assistance with the Services. We will supply your Administrator with a security code and your Administrator must provide such security code any time your Administrator contacts us for assistance with the Services. This security code is confidential and is for the use of your Administrator only. You may permit your Administrator to share the security code with another of your employees for the sole purpose of contacting us for assistance with a specific scanned deposit. You assume full responsibility for the results of any sharing you permit.

You will adhere to all privacy and data protection laws and regulations applicable to you and/or Bank with respect to gathering, processing, storing, using and disposing of non-public personal information of consumers ("Information"). Your information security program shall be designed to and implemented so as to ensure the security and confidentiality of Information, protect against any anticipated threats or hazards to the security or integrity of Information, protect against unauthorized access to or use of Information that could result in substantial harm or inconvenience to any customer, and ensure the proper disposal of Information. You shall take appropriate actions to address incidents of unauthorized access to Information maintained by you, including notifying Bank as soon as possible of any such incident and fully informing Bank of the details of any such incident.

You will implement appropriate operational controls and risk management practices concerning the remote deposit capture process. Bank may review your independent audit reports related to information technology, remote deposit capture and associated operational practices. If warranted in Bank's reasonable judgment, Bank may monitor and audit you, and you agree to cooperate with Bank to permit such monitoring and auditing, to confirm that you have satisfied your obligations under this Agreement.

10. Charges; Taxes; Debit Authorization. You will pay to Bank promptly all fees listed in **Exhibit A**. In addition, you will pay all sales, use or other taxes applicable to the Services, excluding taxes based upon Bank's net income. You authorize Bank to debit these fees and taxes from any of your accounts with Bank and you acknowledge that Bank may process these debits as Automated Clearing House ("ACH") entries. You agree that Bank may debit from any of your accounts with Bank: (i) the Service Set-Up Fee, once this Agreement becomes effective; and (ii) Monthly Service Fees, on or about the first business day of each month while this Agreement is in effect. You may revoke this authorization by notifying Bank in writing at the address specified at the end of this Agreement; provided that Bank must be afforded a reasonable opportunity to act on such notice prior to the date of any scheduled debit.

11. Force Majeure. Except for your obligations to pay Bank hereunder, neither party will be liable to the other party for any failure or delay in performance caused by reasons beyond its reasonable control, including, but not limited to, restrictions of law, regulations, orders or other governmental directives, labor disputes, acts of God, third-party mechanical or other equipment breakdowns, fire, explosions, fiber optic cable cuts, interruption or failure of telecommunication

or digital transmission links, Internet failures or delays, storms or other similar events (each a "Force Majeure Event").

12. Bank's Liabilities. Bank's duties and responsibilities are limited to those described in this Agreement. Bank is not liable for any act or omission of anyone else, including you. Bank will not be liable to you for any loss, damage or expense of any kind or nature, including, but not limited to, loss of business, caused, directly or indirectly, by the Application, the Licensed Software or the Scanner Equipment, or the installation, possession or maintenance thereof, or the repair, service or adjustment thereof, or by any interruption of service or loss of use thereof. THE SERVICES, INCLUDING, BUT NOT LIMITED TO, THE APPLICATION, THE LICENSED SOFTWARE AND THE SCANNER EQUIPMENT, ARE PROVIDED "AS IS". THERE IS NO WARRANTY OF MERCHANTABILITY, NO WARRANTY OF FITNESS FOR A PARTICULAR USE, AND NO OTHER WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, REGARDING THE SERVICES, THE APPLICATION, THE LICENSED SOFTWARE OR THE SCANNER EQUIPMENT. THERE IS NO WARRANTY THAT YOUR USE OF THE SERVICES OR THE APPLICATION WILL BE UNINTERRUPTED OR ERROR-FREE. THERE IS NO WARRANTY AGAINST INTERFERENCE WITH YOUR ENJOYMENT OF THE INFORMATION CONTAINED IN THE APPLICATION OR THE LICENSED SOFTWARE OR AGAINST INFRINGEMENT. YOU ASSUME ALL RISKS OF THE USE, RESULTS AND PERFORMANCE OF THE SERVICES, THE APPLICATION, THE LICENSED SOFTWARE AND THE SCANNER EQUIPMENT. BANK IS NOT LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR LOSS OF PROFITS, REVENUE OR DATA, WHETHER IN AN ACTION IN CONTRACT, TORT, PRODUCT LIABILITY, STATUTE OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. BANK WILL NOT BE LIABLE FOR DIRECT DAMAGES EXCEPT AS EXPRESSLY PROVIDED FOR IN THIS AGREEMENT. ANY LIABILITY BANK MAY HAVE (WHETHER IN CONTRACT, TORT, OR OTHERWISE) WILL NOT EXCEED THE AMOUNT YOU PAID BANK UNDER THIS AGREEMENT FOR THE 30 CALENDAR DAYS PRIOR TO THE TIME BANK INCURRED THE LIABILITY.

13. Indemnity. You are solely responsible for the quality, completeness, accuracy, validity, and integrity of the Check Images transmitted to Bank. You are solely responsible if you, intentionally or unintentionally, submit a fraudulent, incorrect, or illegible Check Image to Bank or if the Services are used, by authorized or unauthorized persons, to submit a fraudulent, unauthorized, inaccurate, incorrect, or otherwise improper or unusable Check Image to Bank. You will defend, indemnify, and hold Bank harmless from and against any and all costs, expenses (including reasonable attorney's fees and expenses), losses, or damages arising out of any claim, suit, action, or proceeding brought against Bank by a third party based on, resulting from, or arising out of (a) this Agreement or the Services provided to you, (b) any breach of any of your representations, warranties or agreements in this Agreement, (c) your improper operation, mechanical failure or failure to properly service or maintain any personal computer(s) in connection with this Service, or (d) any misconduct or negligence of your officers, employees or agents in performing any of your duties or functions hereunder.

14. Amendment and Term. Bank may amend this Agreement at any time by giving you prior notice of any changes. You agree that any notice of amendment may be sent by e-mail to your most recent e-mail address contained in Bank's files or by a posting displayed conspicuously at Bank's website, www.bankofdelmarva.com, as it may change from time to time. This Agreement will continue in force until terminated as provided herein. You may terminate this Agreement upon prior notice to Bank. Bank may terminate this Agreement immediately without notice to you for any reason, including your inactivity, and/or your failure to comply with any requirements of this Agreement. If you do not use the Services for a period of 180 consecutive days, Bank may terminate this Agreement and your access to the Application and you must return the Scanner Equipment as provided in Paragraph 3 above. All warranties, representations and covenants you make and all obligations you incur before termination survive termination.

15. Governing Law; Compliance with Law. This Agreement will be governed by and interpreted in accordance with the laws of the State of Maryland. You will comply with all laws, rules, and regulations that apply to banking transactions, including the rules of the National

Automated Clearing House for ACH transactions ("ACH Rules"), and you agree that the ACH Rules apply to any entries to or from your accounts that are processed as ACH entries. You may obtain the Rules at <http://www.achrulesonline.org/> by enrolling for ready-only access as a "Basic User". The terms "Entry" or "Entries" have the meanings provided in the Rules.

16. Notices. Except as otherwise provided in this Agreement, any notice required or permitted under this Agreement must be written and either hand delivered or mailed by certified mail, return receipt requested, to the addresses of the parties at the end of this Agreement. Either party may change the address to which notice is to be delivered to it under this Agreement by giving notice to that effect to the other party in the manner provided in this Paragraph.

17. Complete Agreement; Recording. The parties agree that this Agreement and the deposit account agreements between the parties constitute the complete and exclusive expression of the terms of the agreement between the parties, and supersede all other proposals, whether oral or written, understandings, representations, conditions, warranties, covenants, and all other communications between the parties relating to the subject matter of this Agreement. This Agreement controls to the extent of any inconsistency between this Agreement and the deposit account agreements. The parties agree that this Agreement may not in any way be explained or supplemented by a prior or existing course of dealing between the parties or by any prior performance between the parties pursuant to this Agreement or otherwise. You agree that all telephone conversations and/or data transmissions between you and Bank may be electronically recorded and retained by Bank.

18. Miscellaneous. You agree from time to time, upon Bank's request, to provide Bank with current financial statements showing your financial condition, assets, liabilities and stockholder's equity and your current income and surplus and such other information regarding your financial condition as Bank may reasonably request. You authorize Bank to procure such credit reports and other financial information as Bank may desire from time to time during the term of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

Bank of Delmarva

By: _____(SEAL)

Title: _____

Address

2245 Northwood Drive, Salisbury, MD 21801

By: _____(SEAL)

Address _____ Title: _____

By: _____(SEAL)

Address _____ Title: _____

By: _____(SEAL)

Address _____ Title: _____

By: _____(SEAL)

Address _____ Title: _____

Exhibit A

Scanner Equipment
(check as applicable)

Scanner

- MyVisionX**
- Epson Capture One**
- 1st Scanner no monthly charge; additional scanner(s) monthly charge of \$25.00 each**

Fees

Service Set-Up Fee\$ 50.00
(payable at initiation of services)

Monthly Service Fees:

\$ 50.00 (the monthly service fee will be waived for each month that the average collected balance in the deposit account(s) listed below equal or exceed fifty thousand dollars (\$50,000.00))

Deposit Account(s):

Daily Deposit Limits:

The total amount of Check Images Bank will accept on any 1 day cannot exceed \$_____. This amount may be modified by Bank from time to time. Notwithstanding the foregoing, Bank may choose in its sole discretion to process Check Images that exceed this limit.