



AMERICAN RIVIERA BANK

Mobile Deposit Agreement American Riviera Bank's ADDENDUM TO ELECTRONIC BANKING AGREEMENT

This Addendum is effective April 16, 2020.

Your use of the American Riviera Bank Mobile Deposit Service is governed by the terms of the Electronic Banking Agreement ("EBA") and this Addendum. You may request a copy of the EBA by contacting us at (805) 880-7606.

American Riviera Bank Mobile Deposit Service

A. Description of the American Riviera Bank Mobile Deposit Service ('Service'). The Service enables you to use an American Riviera Bank Mobile Banking application and certain mobile device (such as a smartphone or android) approved by us to (i) create electronic images of the front and back of certain Paper Items* and (ii) transmit those images and other information, including, without limitation, information captured from the magnetic ink character recognition ("MICR") line, to us for review and processing in accordance with this Addendum. "Electronic Item" means the electronic image of each Paper Item and other information captured from the Paper Item. After we receive your transmission, we will review each Electronic Item. For each Electronic Item that we determine is eligible for processing as described below, we will:

1. create a substitute check that we will present directly or indirectly to the bank (a) on which the original Paper Item to which the Electronic Item relates is drawn, or (b) at or through which the Paper Item is payable (each, the "Paying Bank");
2. include the Electronic Item in an electronic file for presentment directly or indirectly to the Paying Bank; or
3. present or post any Electronic Item for which we are the Paying Bank.

B. Qualification. In order to enroll in the Service, you must be designated as an authorized signer or owner of an American Riviera Bank Account (the "Account") that is eligible for this Service, and be approved by American Riviera Bank.

C. Conditions to Provision of the Service. As conditions to Bank's provision of the Service, you shall (a) maintain the Account in good standing, (b) subscribe to American Riviera Bank Online Banking or American Riviera Bank Business Online Banking Service, and (c) comply with such restrictions on the Service as we may communicate to you from time to time.

D. FEES. The Service is provided at no charge. If we decide to change these fees in the future, we will provide you with 30 days' notice as required by the law. If you continue to use the Service after the fee becomes effective, you agree to pay the service fee that has been disclosed to you, as may be amended from time to time. Further, you will be required to designate an account at American Riviera Bank from which fees for the Service will be debited (your "Billing Account"). Any applicable fees for the Service may be changed by us at our discretion at any time upon at least 30 days prior notice to you, to the extent required by applicable law. If the Billing Account is closed, or if the Billing Account does not have sufficient available funds to cover the fees, you authorize us to charge any such fees to any other deposit account you maintain with us.

E. Creating and Transmitting Electronic Items to American Riviera Bank. You shall use a mobile device approved by American Riviera Bank, and the American Riviera Bank Online or American Riviera Bank Business Online Service to create electronic images of checks and other Paper Items that you wish to deposit to your Account by means of the Service, and to transmit your Electronic Items to us. The following items may not be deposited through the Service: international checks, remotely created checks (whether in paper form or electronically created), checks drawn against a line of credit, or cash. Except as noted in the preceding sentence, only checks, money orders, cashier's checks, or traveler's checks, drawn on or payable at or through a U.S. bank, can be transmitted through the Service. Additionally, only Items that are made payable to, and endorsed by, you may be transmitted through the Service.

F. Check Endorsement. **You shall endorse the back of your check and write the words "for mobile deposit only at ARB".**

G. Dollar Limit for Deposit. **You shall not deposit a check that exceeds \$2,500.**

H. Processing Your Electronic Item(s). If you transmit your Electronic Item(s) to American Riviera Bank before the cut-off time we separately disclose to you (the "Cut-Off Time") on any Business Day**, we shall review and process your Electronic Item(s) on that Business Day. If you transmit your Electronic Item(s) to us after the Cut-Off Time on any Business Day, we shall review and process your Electronic Item(s) on the next Business Day. Your Electronic Item(s) is deemed to have been received by the Bank when the Service generates a confirmation message.

I. Exception Items. Each Business Day on which we review and process your Electronic Item(s), we will use commercially reasonable efforts to review each Electronic Item and to reject any Electronic Item that we in our sole discretion determine to be ineligible for the Service (each, an "Exception Item"). "Exception Item" includes, without limitation, an Electronic Item that (a) is illegible or contains MICR data that is not machine-readable, (b) was previously processed as an Electronic Item, (c) is drawn on banks located outside the United States and is not payable at or through a bank located within the United States (d) is missing the required endorsement, or (e) exceeds the limit for deposit. We will notify you of each Exception Item through the American Riviera Bank Online or American Riviera Bank Business Online Service, or other communication channels at our discretion. If you wish to attempt to deposit any Exception Item to your Account, you shall do so only by depositing the original Paper Item on which the Exception Item is based or as otherwise agreed between us. Even if we do not initially identify an Electronic Item as an Exception Item when we review and process the Electronic Item to which the Exception Item relates, the Electronic Item, substitute check, or the purported substitute check created by us from it may nevertheless be returned to us because, among other reasons, the Paying Bank determines that such item or check is illegible or missing an image. Our failure to identify an Exception Item shall not preclude or limit the obligation of you to American Riviera Bank under Paragraph L.

J. Deposits to the Account. Subject to our right to identify and reject Exception Items, we shall be deemed to have accepted each Electronic Item that is not an Exception Item for deposit to the Account on the Business Day that we process the Electronic Item, provided its transmission to us is prior to the Cut-Off Time. In addition, an Electronic Item will be deemed to have been deposited at the office where the Account is maintained.

K. Security Procedures. Any individual authorized by you to access the Service (a "User") shall do so by entering a user name and a password, or other unique identifier that may be required (collectively referred to herein as "Security Credentials"). No person employed by American Riviera Bank shall have access to any Security Credentials you or your Users create. From time to time, we may require you to use additional security and authentication procedures, as specified in the EBA.

L. Your Warranties to American Riviera Bank. You represent and warrant to American Riviera Bank that:
FAILURE TO PROTECT YOUR MOBILE PHONE AND SECURITY CREDENTIALS MAY ALLOW AN UNAUTHORIZED PARTY TO ACCESS THE SERVICE AND TRANSMIT AN ELECTRONIC ITEM FOR DEPOSIT. ALL USES OF THE SERVICE THROUGH YOUR SECURITY CREDENTIALS WILL BE DEEMED TO BE USES AUTHORIZED BY YOU AND BE BINDING UPON YOU. YOU ASSUME THE ENTIRE RISK FOR THE FRAUDULENT OR UNAUTHORIZED USE OF YOUR SECURITY CREDENTIALS. YOU AGREE TO (i) EXERCISE RESPONSIBLE BEHAVIOR WHEN USING THE SERVICE, (ii) FOLLOW THE INSTRUCTIONS AND RECOMMENDATIONS THAT AMERICAN RIVIERA BANK PROVIDES YOU WITH RESPECT TO THE SERVICE AND (iii) USE MAXIMUM CAUTION IN PROTECTING YOUR MOBILE DEVICE AND SECURITY CREDENTIALS FROM UNAUTHORIZED ACCESS. YOU AGREE TO NOTIFY AMERICAN RIVIERA BANK IMMEDIATELY IF YOU BECOME AWARE OF ANY LOSS OR THEFT OF, OR ANY UNAUTHORIZED USE OF THE SERVICE OR YOUR SECURITY CREDENTIALS.

1. You will use the Service only for Paper Items that are payable to, and indorsed by, you.
2. You will endorse the back of your check and write the words "for mobile deposit only at ARB"
3. You will properly secure all mobile devices you use in connection with the Service (including, but not limited to, securing the mobile device with Security Credentials to prevent unauthorized use). You will maintain control over and be responsible for secure retention, storage, and destruction of original Paper Items for which you have created an Electronic Item. After transmitting the Electronic Item to us, you will retain the original Paper Items for a minimum of five (5) calendar days or until you have verified the deposit has been processed by the bank and the funds are posted in your account, but no longer than fourteen (14) calendar days, from the transmission date ("Retention Period"). **You will retain and store the original Paper Items in a secure and locked container that is only accessible by persons needing access to such Paper Items.** During the Retention Period and upon our request, you agree to provide us with the original Paper Item(s). Once the Retention Period has expired, you will securely and irretrievably destroy original Paper Items from which you have previously created and submitted to us an Electronic Item.
4. You will not submit any duplicate Electronic Items to us.
5. You will not deposit to your Account or otherwise negotiate any original Paper Item from which you have previously created and submitted to us an Electronic Item, unless we have notified you that the Electronic Item is an Exception Item.

6. You will transmit to us only Electronic Items that are suitable for processing, including, but not limited to, Electronic Items that are legible and contain machine-readable MICR data.
7. You will review and verify for accuracy the information contained in the Electronic Item(s) before you transmit it to us.
8. You will only transmit Electronic Item(s) that are drawn on or payable at or through banks located within the United States.
9. You will not store or make a back-up copy of the Electronic Item(s).
10. Any User of the Service is at least 18 years of age.

M. Your Agreement to Indemnify American Riviera Bank. You will indemnify, defend, and hold harmless American Riviera Bank, and the respective directors, officers, employees, and agents (collectively in this Paragraph M, "Indemnities") from and against all liabilities, damages, claims, obligations, demands, charges, costs, or expenses (including reasonable fees and disbursements of legal counsel and accountants) awarded against or incurred or suffered (collectively, "Losses and Liabilities") by Indemnities arising directly or indirectly from or related to the following (except for Losses and Liabilities arising directly or indirectly from or related to our own gross negligence or willful misconduct):

1. Any negligent or intentional act or omission by you in the performance of your obligations under this Addendum, including, but not limited to, (i) duplicate scanning of the same original Paper Item, (ii) transmission of duplicate Electronic Items, (iii) calculation errors of deposit totals, (iv) numerical errors on deposit data entry, and (v) fraudulent or unauthorized use of your mobile device or Security Credentials.
2. Any material breach in a representation, warranty, covenant, or obligation of you contained in this Addendum;
3. The violation of any applicable law, statute, or regulation in the performance of your obligations under this Addendum;
4. American Riviera Bank acting as a "reconverting bank" under the Check Clearing for the 21st Century Act through the creation of "substitute checks" or purported substitute checks using an Electronic Item or an illegible Electronic Item;
5. Our presenting to Paying Bank an Electronic Item for payment; and
6. Your failure to (i) securely maintain your mobile device or the original Paper Items, or (ii) properly and timely dispose of original Paper Items in accordance with Paragraph L.3, in which event such Losses and Liabilities shall include without limitation consequential damages

This Paragraph M shall survive the termination of the Service.

N. Termination. You or we may terminate the Service at any time.

O. Right to Audit. We may periodically audit and verify your compliance with this Addendum. You agree to cooperate and provide information or documents, at your expense, as may be reasonably requested by American Riviera Bank in the course of such audit.

P. Entire Agreement; Conflicting Terms. This Addendum forms part of and is incorporated by reference into the EBA. Except as amended by this Addendum, the EBA remains in full force and effect. In the event of any conflict between this Addendum and the EBA, this Addendum shall govern with respect to the Service.

*A "Paper Item" is an Item that is in paper form. For purposes of this Addendum, an "Item" includes a check, a substitute check, purported substitute check, draft, demand draft, preauthorized draft, image replacement document, money order, cashier's check or traveler's check.

**A "Business Day" is every day except Saturdays, Sundays, and federal holidays.