

**STATE BANK OF ASHLAND**  
**NET TELLER (ONLINE) BANKING AGREEMENT AND DISCLOSURE**

This Online Banking Agreement and Disclosure (“Agreement”) describes your rights and obligations as a user of the NetTeller Banking service or the BillPay service (“Services”). It also describes the rights and obligations of State Bank of Ashland (“Bank”). Please read this Agreement carefully. By requesting and using one of these Services, you agree to comply with the terms and conditions of this Agreement.

**I. Definitions**

The following definitions apply in this Agreement:

1. “Authorized Representative” refers to a person with authority (with respect to the account);
2. “BillPay” is the online service that enables the scheduling of bill payments using a personal computer;
3. “ISP” refers to your Internet Service Provider;
4. “NetTeller” is the internet-based service providing access to your Bank account(s);
5. “Online Account” means the Bank account from which you will be conducting transactions using a Service;
6. “Password” is the customer-generated code selected by you for use during the initial sign-on, or the codes you select after the initial sign-on, that establishes your connection to the Service;
7. “PC” means your personal computer which enables you, with the Internet browser and ISP, to access your Online Account;
8. “Time of day” references are to Central Standard Time;
9. “NetTeller ID” is the Bank-generated identification code assigned to you for your connection to the Service;
10. “We”, “us”, or “Bank” refers to State Bank of Ashland; and
11. “You” or “your” refers to the owner of the account or the authorized representative.

**II. Access to Services**

To use SBA NetTeller and SBA BillPay, Customer must have at least one Account at State Bank of Ashland, access to Internet service and the appropriate hardware/software systems. The Bank will provide instructions on how to use the NetTeller Banking and BillPay Services. You will gain access to your Online Accounts through the use of your Internet-enabled device, your ISP, your Password and your NetTeller ID. Once the Bank has received Customer’s completed SBA NetTeller and SBA BillPay Application, and verified your Account information, we will provide a NetTeller ID and Temporary Password. The Temporary Password must be changed upon initial access of the services. Accounts can be added or deleted from the SBA NetTeller and SBA BillPay Application by contacting State Bank of Ashland. The Bank undertakes no obligation to monitor transactions via SBA NetTeller and SBA BillPay to determine that they are made on behalf of the Accountholder. Customers applying in person will receive a NetTeller ID and Temporary Password at that time. Customers applying by mail or by fax will receive a NetTeller ID and a Temporary Password in separate mailings at least one day apart. Regardless of whether one or more account holders of a joint account enroll for SBA NetTeller and SBA BillPay, each account holder agrees that any account holder has the authority to use the SBA NetTeller and SBA BillPay banking services.

**III. Hours of Access**

You may access your NetTeller Accounts 24 hours a day, seven (7) days a week. However, availability of the Services may be suspended for brief periods of time for purposes of maintenance, updating and revising the software or reasons beyond our control.

For purposes of transactions, the Bank's business days are Monday through Friday, excluding holidays and weekends. All NetTeller Banking transaction requests received after 2:00 p.m. on business days and all transactions that are requested on Saturdays, Sundays, or holidays on which the Bank chooses to remain closed, will be processed on the Bank's next business day.

#### **IV. Banking Transactions with Online Banking**

- 1) Account Access. You may access any of your personal bank accounts online that you designate on the application form. One of these accounts must be a primary checking account if you are using the BillPay service.
- 2) Transfer of Funds. In addition to viewing account information, you may use NetTeller Banking to conduct the transfer of funds. You may make one-time transfers or schedule future or recurring transfers such as transfers to make loan payments. You may transfer funds among your checking accounts, savings accounts and money market accounts.

**NOTE:** Because regulations require the Bank to limit preauthorized transfers (including Online Banking transfers), the following limitations apply to your Passbook Savings Account and MMDA Account:

During any calendar month or statement cycle of at least four weeks, you may not make more than six withdrawals or transfers to another account of yours or to a third party by means of a preauthorized or automatic transfer or telephone order or online banking transfer. No more than three of the six transfers may be made by check, draft, debit card (if applicable) or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure. However, you may have unlimited transfers for the purpose of repaying loans at this bank and unlimited transfers and withdrawals when such transfers or withdrawals are made by mail, automated tellers machine, or in person or when such withdrawals are made by telephone with a check mailed to the customer.

- 3) Additional Services. New services may be introduced for NetTeller Banking from time to time. The Bank will notify you of the existence of these new services. By using these services when they become available, you agree to be bound by the rules that will be made available to you concerning these services.

#### **V. Statements**

You will continue to receive your regular account statement either monthly or quarterly, depending on the type of account and your transactions.

#### **VI. Use of Your Security Password**

You are responsible for keeping your password and NetTeller Account information confidential. In order to protect yourself against fraud, you should adhere to the following guidelines:

- Do not give out your account information, Password, or NetTeller ID;
- Do not leave your PC unattended while you are in the Bank's Online Banking Site;
- Never leave your account information within range of others; and
- Do not send privileged account information (account number, Password, etc.) in any public or general e-mail system.

We will suspend your login ID's access to SBA NetTeller and SBA BillPay if there are three (3) unsuccessful attempts to re-enter a password. In the event that you forget your password, please contact us to issue you a new Temporary password. If you believe your password has been lost or stolen, or if you suspect any fraudulent activity on your account, call the Bank immediately at 217/476-3325 between the hours of 8:30 a.m. to 4:00 p.m., Monday through Friday. Telephoning the Bank is the best way of minimizing your losses and liability. (See; Section XII)

If you believe your Password has been lost or stolen, please use the Password change feature within the Online Banking section of the Web site to change your Password.

## **VII. Electronic Mail (E-mail)**

If you send the Bank an e-mail message, the Bank will be deemed to have received it on the following business day. You should not rely on e-mail if you need to report an unauthorized transaction from one of your accounts or if you need to stop a payment that is scheduled to occur.

NOTE: E-mail transmissions outside of the NetTeller Banking site are not secure. We advise you not to send us or ask for sensitive information such as account numbers, Password, account information, etc. via any general or public e-mail system. If you wish to contact us electronically, please use the "Contact" feature provided in our Online Banking site. Use this secure method to "Contact" the Bank regarding inquiries about an electronic funds transfer error resolution, reporting unauthorized transactions, or contacting the Bank regarding other concerns of a confidential nature.

## **VIII. Bill Payment Services**

- A. Description of Service: The BillPay Service permits you to use your Internet enabled device to direct payments from your designated online BillPay Account to third parties you wish to pay. Your BillPay Account must be a primary checking account. Through the BillPay Service, you can pay bills from your BillPay Account to businesses or individuals.

All payments you make will be deducted from the checking account that you designate as your BillPay Account for the BillPay Service. Any payments you wish to make through this Service must be payable in U.S. dollars to a payee located in the continental United States. We reserve the right to restrict types of payees to whom payments may be made using the Service from time to time. You should not use the BillPay Service to make payments to settle securities purchases, payments to interest bearing accounts, tax payments, or court ordered payments. Payments for these payees will be your sole responsibility if delayed or improperly processed or credited.

- B. Scheduling Payments. Funds must be available in your Bill Payment Account on the scheduled payment date. If the date you schedule a payment to be initiated falls on a non-business day (Saturday, Sunday, or holiday), funds must be available in your BillPay Account the preceding business day (e.g. Friday). After funds are withdrawn from your BillPay Account to make a payment, we may make the payment either by transferring funds electronically to the payee or by mailing the payee a check.

You may choose to schedule payments to recur in the same amount at regular weekly, bi-weekly, monthly, semi-monthly, quarterly, annually or semi-annually intervals. When you create a new payee in the Bill Payment Service, it takes one (1) business

day to set up the payee to receive payments. You should schedule a payment to a new payee at least three (3) business days before any payment due date, to allow us time to set up the payee and verify information about your account with the payee.

For all subsequent payments, you agree to allow at least three to five business days between the date you schedule a payment to be initiated and the payment due date (that is, the due date shown on your invoice or provided in your agreement with the payee, not taking into account any applicable grace period). If the payment is an Automatic Clearing House (ACH) electronic payment, it will take up to four (4) business days to reach the payee. However, if the company or person that you are paying cannot accept an electronic payment, the Bill Payment Service will send a check that may take up to ten (10) business days. If you do not follow these time frames, you will be fully responsible for all late fees, finance charges or other actions taken by the payee. If you schedule your payment and follow all instructions provided, but the payment is not received by the payee in a timely manner, the Bank will work with the payee on your behalf to reverse any late fees or charges.

- C. No Duty to Monitor Payments. The Bank is only responsible for exercising ordinary care in processing and sending payments upon your authorization in accordance with this Agreement. The Bank will not be liable in any way for damages you incur for any of the following reasons:
- insufficient funds in your Bill Payment Account to make the payment on the processing date;
  - delays in mail delivery;
  - changes to the payee's address or account number;
  - the failure of any payee to correctly account for or credit the payment in a timely manner, or
  - any other circumstances beyond the control of the Bank.

If the session during which you schedule a payment or transfer ends by 2:00 p.m., the Bank will be considered to have received it on that day. Otherwise, it will be considered received on the following business day. For all entries made using the Services, the time recorded by the NetTeller Banking Service will be considered the official time of the transaction.

If your BillPay Account does not have sufficient funds to make a payment as of the date the payment is debited to your account, the BillPay Service will automatically delay future BillPay Service until the account has sufficient funds to make the payment. The Bank shall have no obligation or liability if it does not complete a payment because there are insufficient funds in your account to process a payment. In the case of fixed payments, only the payment currently scheduled will be impacted. Fixed payments scheduled for future dates will not be affected.

- D. Cancel or Change Payment Instructions. Payments must be changed or canceled using the Service prior to 2:00 A.M. on the business day the transaction is scheduled to be initiated. If you ask us to cancel a payment after it is issued and we agree to do so, we may charge you a stop payment fee. Stop payment orders whether oral, written, or electronic, will be in effect for a period of six (6) months. If requested by the Bank, you will confirm any stop payment order in writing. After six (6) months, any stop payment will terminate and must be renewed in order to continue in effect. The Bank may pay any item that is presented following the lapse of any stop payment order.

Customer may initiate stop payment requests via SBA NetTeller only for paper checks written on Customer's SBA Accounts. ACH Stop Payments are NOT allowed online.

The stop payment must precisely identify the name of the payee, the check number and the amount and date of the check. The stop payment must be printed and given to SBA in person, by mail or by fax within 14 days. Customer will incur stop payment charges as per the terms of the deposit agreement for that Account.

A stop payment request will expire and become null and void six months from the date received, unless revoked or released prior to that time or unless renewed for additional periods of time. Reasonable notification of stop payment must be given to SBA prior to the item being presented (three days). Customer agrees to hold SBA harmless and indemnify it against any loss, expense or cost incurred resulting from SBA's refusal to pay any item upon which Customer places a stop payment request.

- E. No Signature Required. When any payment or other online Service generates items to be charged to your account, you agree that we may debit your Bill Payment account without requiring your signature on the item, and without prior notice to you.
- F. Multiple Person Bill Payment Accounts. If more than one person has access to a Bill Payment account, each person must individually enroll in the BillPay service. Each enrolled person needs a unique password but may choose to use the same payee list. Each individual may terminate her/his participation in the Bill Payment service without affecting the Service for any other person enrolled in that Bill Payment account. However, any enrolled person may terminate the Bill Payment service which will terminate the service for that Bill Payment account.

## **IX. Linked Consumer Accounts**

- All accounts with the Bank that you enroll in a service will be linked by the tax identification numbers of the owners of the accounts unless you direct us to only allow access to authorized accounts. The linked accounts will appear together without regard to the ownership of the accounts.

## **X. Business Accounts**

If you are a business, any authorized user of your business is authorized on such terms, conditions, and agreements as we may require to:

- enter into this Agreement, as amended from time to time;
- access each account of yours in any manner and for any purpose available through the Service, whether now available or available at some time in the future; and
- use any NetTeller banking service in any manner and for any purpose available through the Service, whether now available or available at some time in the future.

The Bank's obligations and limitations or liability do not apply in the case of business or other non-personal accounts. UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES INVOLVING YOUR ACCOUNTS OR ARISING OUT OF THE USE OF THE SBA NETTELLER or SBA BILLPAY. The owners of non-personal accounts must notify us immediately if they discover any unauthorized transactions or errors, and must send us a written notice of the problem within

a reasonable time (not to exceed 14 days from the date of discovery or their receipt of the first statement or notice reflecting the problem, whichever occurs first). We may process any instruction we believe is given by you if the instruction is accompanied by your NetTeller ID and password, and you will be obligated for the transfer or payment, even if the instruction is not transmitted or authorized by you.

## **XI. Term and Termination**

- A. Term. This Agreement will become effective on the Effective Date and shall remain in full force and effect until termination in accordance with the following provisions.
- B. Termination for Cause. We may immediately terminate your electronic banking privileges (including the Bill Payment Service) without notice to you under the following circumstances:
1. You do not pay any fee required by this Agreement when due or
  2. You do not comply with the agreement governing your deposit or loan accounts or your accounts are not maintained in good standing.
  3. You exceed the maximum transactions allowable for one of your accounts.
  4. You fail to use the Bill Payment services during any 90 day period
  5. We will promptly notify you if we terminate this Agreement or your use of the Services for any other reason.
- C. Termination for Convenience. To terminate this Agreement, you must notify the Bank and provide your name, address, the Service(s) you are discontinuing, and the termination date of the Service(s). When BillPay is terminated, any prescheduled bill payments made through NetTeller Banking will also be terminated. You may notify the Bank by one of the following methods:
- By using the "Contact" feature in NetTeller
  - By sending an e-mail to: [bookkeeping@statebankofashland.com](mailto:bookkeeping@statebankofashland.com)
  - By calling 217/476-3325
  - By writing a letter and either sending it to the following address: Attention: Bookkeeping, State Bank of Ashland, 400 E. Buchanan, Ashland, IL 62612
  - or giving it to a Bank employee at any of the Bank's locations.

We may convert your account to inactive status if you do not sign on to the Service or have any transaction scheduled through the Service during any consecutive 90-day period. If your account is considered inactive, you must contact us to have the Service activated before you will be able to schedule any transaction through the Service.

## **XII. Electronic Fund Transfer Provisions For Consumers**

- A. Applicability. These provisions are only applicable to online electronic fund transfers, which credit or debit a consumer's checking, savings or other asset account and are subject to the Federal Reserve Board's Regulation E (an "EFT"). Commercial account holders are not entitled to the rights provided under this act. When applicable, the Bank may rely on any exceptions to these provisions, which are contained in Regulation E. All terms that are not defined in this Agreement but which are defined in Regulation E shall have the same meaning when used in this section.
- B. Your Liability. The following determines your liability for any unauthorized EFT or any series of related unauthorized EFTs:
1. If you notify the Bank within two (2) business days after your password was lost or stolen, your liability will not exceed \$50.00 or the amount of the unauthorized EFTs that occur before notification, whichever is less

2. If you fail to notify the Bank within two (2) business days after your password was lost or stolen, your liability will not exceed the lesser of \$500.00 or the total of:
  - \$50.00 or the amount of unauthorized EFTs that occur within the two (2) business days; and
  - the total of authorized EFTs which occur during the two (2) days before notification to the Bank, provided the Bank establishes that these EFTs would not have occurred had the Bank been notified within that two-day period.
3. You must report an unauthorized EFT, which appears on your periodic statement, no later than 60 days of transmittal of the FIRST statement on which the problem or error appeared, to avoid liability for subsequent transfers. Your liability will not exceed the amount of the unauthorized EFTs that occurred within the 60-day period. You may also be liable for the amounts as described in sections 1 and 2 above.
4. If the report is made orally, we will require that you send the complaint or question in writing within 20 business days. We will notify you with the results of the investigation within 10 business days and will correct any error promptly. If more time is needed, however, we may take up to 45 days to investigate a complaint or question. If this occurs, we will credit your account within 10 business days for the amount you think is in error. This will allow you to use the money during the time it takes us to complete our investigation. If your complaint or question is not received in writing within 10 business days, we may not credit your account until the investigation is completed. If an alleged error involves an electronic fund transfer outside a state or territory or possession of the United States, the applicable time periods for action by us are 20 business days (instead of 10) and 90 days (instead of 45). If we determine that no error occurred, we will send you a written explanation within three business days after the investigation is complete. You may request copies of the documents that were used in the investigation.
5. You may notify the Bank by telephone, writing, or by email using the "Contact" feature provided in our NetTeller Banking site. Notification by general e-mail to report an unauthorized transaction is not secure and therefore not advised.

Telephone Numbers and Addresses. In case of errors or questions regarding a NetTeller Banking or BillPay transaction, call 217/476-3325 or write us at: Attn: Bookkeeping, State Bank of Ashland, 400 East Buchanan, Ashland, IL 62612.

**We will need:**

1. Your name and account number
  2. A description of the error or the transfer in question and an explanation concerning why you believe it is an error or need more information
  3. The dollar amount of the suspected error and date on which it occurred.
- D. Our Liability. This section explains our liability to you only to the extent that any other agreements, notices or disclosures have not separately disclosed our liability. In no event shall we be liable to you for failure to provide access to your NetTeller Banking or BillPay services accounts. Unless otherwise required by applicable law, we are only responsible for performing the NetTeller Banking and BillPay services as delineated in this Agreement. We will be liable for the amount of any material losses or damages incurred by you and resulting directly from our gross negligence.

We will not be liable to you in the following instances:

1. If through no fault of the Bank, you do not have enough money in your account to make the transfer.
2. If circumstances beyond our control (such as fire, flood, power outage, equipment or technical failure or breakdown) prevent the transfer despite reasonable precautions that we have taken.
3. If there is a hold on your account, or if access to your account is blocked, in accordance with banking policy.
4. If your funds are subject to a legal proceeding or other encumbrance restricting the transfer.
5. If your transfer authorization terminates by operation of law.
6. If you negligently or intentionally share your ID and password, or if you believe someone has accessed your accounts without your permission and you fail to notify the Bank immediately.
7. If you have not properly followed the instructions on how to make a transfer included in this Agreement.
8. If we have received incomplete or inaccurate information from you or a third party involving the account or transfer.
9. If we have a reasonable basis for believing that unauthorized use of your Password or account has occurred or may be occurring or if you default under this Agreement, the deposit account agreement, a credit agreement or any other agreement with us, or if we or you terminate this Agreement.

IN NO EVENT SHALL WE HAVE ANY LIABILITY TO YOU OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES RESULTING FROM OR ARISING OUT OF THIS AGREEMENT.

- E. Use of the NetTeller Banking Service or the BillPay Service is your acknowledgment that you have received these agreements and intend Indemnification. You agree to indemnify, defend and hold us, our affiliate companies, directors, officers, employees and agents harmless against any third party claim, demand, suit, action or other proceeding and any expenses related to a NetTeller Banking or BillPay account.
- F. Third Parties. We are not liable for any loss or liability resulting from any failure of your equipment or software, or that of an internet browser provider such as Netscape (Netscape Navigator browser) or Microsoft (Microsoft Explorer browser), by an internet access provider, or by an online service provider, nor will we be liable for any direct, indirect, special or consequential damages resulting from your access to or failure to access an NetTeller Banking or BillPay account.
- G. Virus Protection. The Bank is not responsible for any electronic virus or viruses that you may encounter. We suggest that you routinely scan your PC using a virus protection product. An undetected virus may corrupt and destroy your programs, files, and your hardware.

### **XIII. General Terms and Conditions**

- A. Bank Agreements: In addition to this Agreement, you and the Bank agree to be bound by and comply with the requirements of the agreements applicable to each of your Accounts that access online. You should review other disclosures including the charges that may be imposed for electronic funds transfers or the right to make transfers listed in the fee schedules accompanying those disclosures and the fee schedule contained in this Agreement. We will automatically deduct any fees that may be assessed related to this Service from your Bill Payment Account each month.

- B. Changes and Modifications: The Bank may modify the terms and conditions applicable to the Services from time to time. We may send any notice to you via e-mail and you will be deemed to have received it three days after it is sent. The revised terms and conditions shall be effective at the earliest date allowed by applicable law. We reserve the right to terminate this Agreement and your use of the Services in whole or in part at any time without prior notice.
- C. Assignment: We may assign this Agreement to an affiliate of the Bank or any successor in interest in the event of a merger, reorganization, change of control, acquisition or sale of all or substantially all assets of the business to which this Agreement is related without the other party's prior written consent.
- D. Notices: Unless otherwise required by applicable law, any notice or written communication given pursuant to this Agreement may be sent to you electronically.
- E. Disclosure of Information: We will only disclose information to third parties about your account or transfers you make under the following circumstances:
- where it is necessary for the provision of NetTeller Banking and for completing transfers;
  - in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
  - in order to comply with government or court orders, or other reporting requirements;
  - if you give us your permission;
  - to the Bank affiliated companies.
- F. Governing Law. This Agreement is governed by the laws of the State of Illinois and applicable federal law.