

# Bath State Bank Online Banking, Mobile Banking, Mobile Deposit and Bill Pay Agreements

## Agreement

This Agreement is a contract which establishes the rules which cover your electronic access to your accounts at Bath State Bank through all Online Banking services. By using Online Banking, you accept all the terms and conditions of this Agreement. Please read it carefully. The terms and conditions of the deposit agreements and disclosures for each of your Bath State Bank accounts as well as your other agreements with Bath State Bank such as loans, continue to apply notwithstanding anything to the contrary in this Agreement. This Agreement is also subject to applicable federal laws and the laws of the State of Indiana (except to the extent this Agreement can and does vary such rules or laws.) If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement. This Agreement is binding upon your heirs and Bath State Bank's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement. This Agreement, constitutes the entire agreement between you and Bath State Bank with respect to the subject matter hereof and there are no understandings or agreements relative hereto which are not fully expressed herein. You may review this agreement at any time by visiting the "Disclosures" link located on our home page or by calling 765-732-3022.

## Definitions

As used in this Agreement, the words "we," "our," "us" mean Bath State Bank; "You" and "your" refer to the accountholder authorized by Bath State Bank to use Online Banking under this Agreement and anyone else authorized by that accountholder to exercise control over the accountholder's funds through Online Banking. "Account" or "accounts" means your accounts at Bath State Bank. "Electronic funds transfers" means ATM withdrawals, preauthorized transactions, point of sale transactions, transfers to and from your Bath State Bank accounts using Online Banking, including bill payments, mobile banking and mobile deposit. "Online Banking" includes the services provided pursuant to this Agreement, including Internet Banking, Bill Payment Service, Mobile Banking and Mobile Deposit. "Business days" means Monday through Friday. Holidays are not included.

## Access

To use Online Banking, you must have at least one account at Bath State Bank, access to Internet service and a valid e-mail address. Enrollment may be performed using our automated online enrollment process. This can be performed by choosing the "Bank By Mouse Online Banking & Bill Pay" link located on the Bank's home page. Once you have successfully completed the online enrollment request, an email with your user ID will be sent with additional information to complete your enrollment. Not all enrollments can be completed using our automated online enrollment process. In this event, you may complete a written Online Banking application and return to any Bath State Bank branch location. Applications may be obtained at any branch location or on our website. If submitting a manual Online Banking application, once we have received your application and verified your account information, we will send you by mail, confirmation of our acceptance of your enrollment. Each person on a joint account will be liable for all transactions that are made on that account by all other joint account holders of the account. Online Banking can be used to access the Bath State Bank accounts in which you are a primary owner, joint owner, co-owner or authorized signer. We undertake no obligation to monitor transactions through Online Banking to determine that they are made by you.

## Online Banking Services

You can use Online Banking to check the balance of your Bath State Bank accounts, view Bath State Bank account histories, transfer funds between your Bath State Bank accounts, send us e-mail, view, print, save previous statement and pay bills from your Bath State Bank accounts in the amounts and on the dates you request.

## Hours of Access

You can use Online Banking seven days a week, 24 hours a day, although some or all Online Banking services may not be available, during the hours of processing from 4 p.m.-5 p.m. (EDST) Monday thru Friday, and occasionally due to emergency or system maintenance. We agree to post notice of any extended periods of non-availability on the Online Banking website.

## Your Password

For security purposes, you are required to change your password upon your initial login to Online Banking. You determine what

password you will use and the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your user ID and password. You accept responsibility for the confidentiality and security of your login credentials and agree to change your password regularly (you will be prompted to change your password every 180 days.) The password you create must utilize both alpha and numeric characters, and be 6-10 characters long, to ensure the maximum security. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children and should be memorized rather than written down. Employees from Bath State Bank have no need to obtain nor will they ask you for your password via phone, email or in person for any reason.

### **Security**

You understand the importance of your role in preventing misuse of your accounts through Online Banking and you agree to promptly examine your paper statement for each of your Bath State Bank accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself, or together with information related to your account, may allow unauthorized access to your account. Your password and log in ID are intended to provide security against unauthorized entry and access to your accounts. Data transferred via Online Banking is encrypted in an effort to provide transmission security. Each time you log in, you are opening up a session. If you have an open session without activity for 10 minutes, your session will be timed-out and you will be required to log in again. Online Banking utilizes identification technology to verify that the sender and receiver of Online Banking transmissions can be appropriately identified by each other. When logging in for the first time or after a brief monitoring period, you will be prompted to select some personal verification questions. During a future log in, we will ask you to answer these questions if we do not recognize your computer or location from where you are logging in. You will also be prompted to select an image when you log in for the first time. After that, the image that you chose, will be seen on the initial log in page. For security purposes, each time you log in, verify that the image is the one you selected as your Personal Identification Image.

### **Posting of Transfers**

Transfers initiated through Online Banking before 4 p.m. (EDST) on a business day, Monday through Friday, are posted to your account the same day. Transfers completed after 4 p.m. (EDST) on a business day, and those completed on a Saturday, Sunday or banking holiday, will be posted on the next business day. Online Banking identifies transfers based upon the login ID of the user who made the electronic transfer. Once you confirm your transfer, you will receive a confirmation number to keep for your records. Your transaction is not complete if you did not receive a confirmation number. You agree that you are responsible for any negative or overdraft balances that may occur from withdrawals or transfers made, involving your account.

### **Overdrafts (Order of Payments, Transfers, and other Withdrawals)**

If your account has insufficient funds to perform all electronic funds transfers you have requested for a given business day, including Bill Payment, then:

1. Your account may be subject to Bounce Protection fees or Return Check Fees.
2. Electronic funds transfers involving currency disbursements, like ATM withdrawals, will have priority;
3. Electronic funds transfers initiated through Online Banking which would result in an overdraft of your account may be returned;
4. Bill payment requests to be made electronically will not be made until sufficient funds are available to complete the requests;
5. In the event the electronic funds transfers initiated through Online Banking which would result in an overdraft of your account are not cancelled, overdraft balance charges may be assessed pursuant to the terms of the deposit agreement for that account.

### **CD's, IRA's and/or Wires**

CD's, IRA's or Wires do not qualify for funds transfer service.

### **Limits on Amounts and Frequency of Online Banking Transactions**

The number of transfers from your accounts and the amounts which may be transferred are limited pursuant to the terms of the applicable deposit agreement and disclosure for those accounts. Electronic payments are validated against the account balance prior to processing. Check payments and electronic payments settle against your account just like a check; therefore, there is no dollar limitation on payments made through Bill Pay. You are limited only by the amount of funds in your account. If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires.

### **Online Banking Bill Payment Service**

You must designate the complete name of the payee, the account number, and the payee's remittance address, all exactly as

shown on the billing statement or invoice; the amount of the payment; and the date you want the payment processed. If the date you want the payment processed is not a business day, your payment will be processed the last business day, prior to the weekend or holiday. By using the Online Banking Bill Payment Service option, you agree that, based upon instructions received under your password, we can charge your designated account by electronic transfer, "as authorized by account holder," or by debiting and remitting funds on your behalf. We reserve the right to refuse to pay any payee designated by you. If we do so, we will notify you promptly.

### **Scheduling Online Banking Payments**

Bill Pay payments must be requested prior to 1 p.m. (EDST) to be processed on the same business day. Requests received after 1 p.m. (EDST) will be processed on the next business day. If the payee is to be paid by paper check you understand and agree that paper checks are mailed to the payee and that you must allow for normal postal delivery time. If the payee is to be paid electronically (as indicated on the Bill Payer list), you understand and agree that the payee may not receive the payment up to 4 business days after the date the payment is debited from your account. You understand and agree that we are not responsible for the timely delivery of mail or the improper transmission or handling of payments by a third party such as the failure of the bill payment payee to properly post a payment to your account.

### **Delete or Edit a Bill Payment**

To delete or edit a bill payment that you have scheduled through Online Banking, follow the onscreen instructions before 3 a.m. (EDST), for the first processing and by 1 p.m. (EDST) for the 2nd processing, on the date the payment is scheduled to be processed.

### **Disclosure of Account Information and Transfers**

We may disclose information to third parties about your account or the transfer you make ONLY: when it is necessary to complete transfers; or in order to verify the existence and condition of your account for the third party, such as a credit bureau or merchant, or in order to comply with government agency or court orders, or if you give us your written permission.

### **Mobile Banking**

By having an active Online Banking account, you may also have access to Mobile Banking applications available using web enabled devices that support SSL traffic and are Apple (iPhone or iPad) or Android mobile operating systems. Enrollment may be executed by downloading and opening the Bath State Bank Mobile App and enrolling with a current Bank by Mouse ID and password. After agreeing to the terms and conditions, you will be provided with directions in order to complete the enrollment process. Mobile Banking allows for similar functionality as our traditional Online Banking. You may view account balances, view transaction history, establish transfers and make bill payments. You are responsible for understanding how to operate your mobile device and for maintaining the safety and security of your mobile device including physical security of the device as well as your user ID and password. You are also responsible for the protection against viruses and other harmful attacks on your device. Contact the Bank immediately in the event of a loss or theft of your device or login credentials. There is no fee for enrollment and/or usage of Mobile Banking however, you may be subject to charges and usage limitations by your mobile carrier. We may terminate your mobile banking services at any time with or without cause and without prior notice as deemed necessary. You agree to the terms and conditions of the "Online Banking, Mobile Banking, Mobile Deposit and Bill Pay Agreement" along with the terms and conditions of the deposit agreements and disclosures for each of your Bath State Bank deposit accounts.

### **Mobile Deposit Capture**

The Mobile Deposit Capture service allows you to make deposits to your checking, savings, or money market accounts from a remote location using a mobile device that provides for the capture of an image and electronically transmitting that image to us for deposit.

### **General Requirements**

- An active Mobile Banking account
- A checking, savings, or money market account
- A camera enabled mobile device

### **Mobile Deposit Limits**

We reserve the right to establish deposit limits including limits on the dollar amount and/or number of items or deposits that can be made each day and/or an aggregate total for the month based on your overall banking relationship. Current limits have been established as follows:

- Daily Amount - \$2,000

- Daily Count - 5
- Monthly Amount - \$10,000
- Monthly Count - 20

If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times. Following a review of your normal account activity, the limits may be amended for an account relationship at our discretion.

### **Presentment**

- You will use mobile deposit to deposit images of paper checks only.
- Endorsements should include "For Mobile Deposit Only" and a signature from the named payee. The payee name must match the name of the account owner or business name. Improper endorsements could result in the delay of the deposit transaction.
- Check images may not have been altered.
- Checks payable to "Cash" will not be accepted.
- Checks with joint payees may also be rejected.

### **Image Quality**

You are responsible for the image quality of any image that you transmit. If an image that we receive for deposit to your account is not of sufficient quality, we may reject the image without prior notice. Each image must include the front and back of the item, and the following information must be clearly readable: amount, payee name, drawer signature, date, check number, account number, routing and transit number, MICR line, and any endorsement or other information written on the check. If you send us images that are incomplete, that fail to satisfy our image quality standards, or otherwise do not allow us to meet the requirements of Check 21, we may charge the images back to your account.

### **Funds Availability**

Deposits made before 4:00 pm (EDST) on a business day, Monday through Friday, will be considered deposited that day. Transfers completed after 4:00 p.m. (EDST) on a business day, and those completed on a Saturday, Sunday or banking holiday, will be considered deposited on the next business day. Funds from items deposited through mobile deposit will be made available to you pursuant to our Funds Availability Policy. We may have to delay availability if we require further review of your deposit. If so, we will contact you.

### **Transmitted Items**

You agree not to allow an item to be deposited or presented for payment more than once, to the extent that it could result in the payment of the item more than once. You will not allow the transmission of an image of an item that has already been presented to us or to any bank by any other means. If any item is presented or deposited more than once, whether by image or by any other means, we may, at our discretion, reject it or return it and charge it against your account without prior notice to you. Any applicable check return fees will also apply in accordance with our deposit account fee schedule. You agree to retain the item for at least 45 calendar days from the date of deposit, and thereafter to either destroy or otherwise render incapable of transmission or presentment. You agree to cooperate with us in the investigation of unusual transactions, poor quality images, and resolution of customer claims, including by providing any originals or copies of items in your possession and your records.

### **Returned Items**

You are solely responsible for any item for which you have been given provisional credit, and any such item that is returned or rejected may be charged to your account including any return item fee. You acknowledge that all credits received for deposits made through mobile deposit are provisional, subject to verification and final settlement.

### **Fees**

There are currently no fees or charges to use the Mobile Deposit Services however you are responsible for any fees or charges by your mobile provider.

### **Security**

You are responsible for the security of your device and for allowing its use only by individuals authorized by you.

### **Mobile Text Services**

Mobile banking also includes mobile text services. This service allows you to obtain balance and recent transaction information via SMS text messages. Enrollment must be performed through our traditional online banking website. These messages are not encrypted. You are responsible for the security and safeguarding of your device. While there is no fee for text services from Bath State Bank, you are responsible for any fees imposed by your service provider.

### **Periodic Statements**

You will not receive a separate Online Banking statement. Transfers to and from your accounts, Bill Pay payments and mobile deposits using Online Banking services will appear on the respective periodic paper statements for your Bath State Bank accounts.

### **Change in Terms**

We may change any term of this Agreement at any time. If the change would result in increased fees for any Online Banking service, increased liability for you, fewer types of available electronic funds transfers, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic funds transfer system. We will post any required notice of the change in terms on the Bath State Bank's Online Banking or by postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic funds transfer system, we will notify you of the change in terms within 30 days after the change becomes effective. Your continued use of any or all of the subject Online Banking Services indicates your acceptance of the change in terms. You acknowledge and agree that changes to fees applicable to specific accounts are governed by the applicable deposit agreements and disclosures.

### **In Case of Errors or Questions about Your Electronic Transfers, including Bill Payments**

You may contact the Bank in case of errors or questions about any electronic funds transaction. Here's how: Phone: 765-732-3022 or write to: Bath State Bank, Online Banking, P.O. Box 10, Bath, Indiana 47010. The Bank must be notified as soon as possible if you think your checking or savings statement or ATM or POS transaction receipt is in error or if you need information about a transfer on any statement. You must contact us within 60 days after we have sent your FIRST checking or savings statement on which the error appeared. When you contact us, please provide the following:

1. Your name and account number;
2. A description of the error or the transfer you are unsure about, explaining as clearly as you can why you believe it is an error or why you need more information;
3. The dollar amount of the suspected error.

We will determine whether an error occurred within 10 business days (20 business days if the error occurred within 30 days after the first deposit to the account was made) after we hear from you and will correct the error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a POS transaction or a foreign initiated transfer or occurred within 30 days after the first deposit to the account was made) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 days if the error occurred within 30 days after the first deposit to the account was made) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we did not receive it within 10 business days, we may not credit your account. If we decide that there was no error, we will send you a written explanation, within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

### **Our Liability for Failure to Make a Transfer**

If we do not complete a transfer to or from your account, including a bill payment, on time or in the correct amount, according to our agreement with you when you have properly instructed us to do so, we will be liable to you for your losses or damages caused as a result. However, there are some exceptions. We will NOT be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make a transfer.
2. If a legal order directs us to prohibit withdrawals from the account.
3. If your account is closed, or if it has been frozen.
4. If the transfer would cause your balance to go over the Bounce Protection limit that you may have set-up to cover overdrafts.
5. If you, or anyone authorized by you, commits any fraud or violates any law or regulation.
6. If any electronic terminal, telecommunication device, or any part of the Online Banking electronic funds transfer system is not working properly and you knew about the problem when you started the transfer.
7. If you have not provided us with complete and correct payment information for the Bill Payment Service, including, without limitation, the name, address, your payee-assigned account number, payment date, and payment amount for the payee on a bill payment.

8. If you have not properly followed the on-screen instructions for using Online Banking.
9. If circumstances beyond our control (such as fire, flood, interruption in telephone service or other communication lines) prevent the transfer, despite reasonable precautions that we have taken.
10. If there are other exceptions as established by us.

#### **Your Liability for Unauthorized Transfers (Liability limits apply only to consumer accounts)**

CONTACT US AT ONCE if you believe your password has been lost, stolen, used without your authorization, or otherwise compromised, or if someone has transferred or may transfer money from your accounts without your permission. An immediate telephone call to us is the best way to reduce any possible losses. You could lose all the money in your accounts (plus your bounce protection, if applicable). If you contact us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, you can lose no more than \$50 if someone used your password without your permission. If you do NOT contact us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, and we can prove we could have stopped someone from using your password to access your accounts without your permission if you had told us, you could lose as much as \$500. Also, if your paper statement shows transfers that you did not make, contact us at once. If you do not tell us within 60 days after the paper statement was mailed to you, you may not get back any money you lost through transactions made after the 60 day time period if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from contacting us, we will extend the time periods.

#### **Disclaimer of Warranty and Limitation of Liability**

We make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with the Online Banking Services provided to you under this Agreement. We do not and cannot warrant that Online Banking will operate without errors, or that any or all Online Banking Services will be available and operational at all times. Except as specifically provided in this Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of or access to Online Banking, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warranty.

#### **Your Right to Terminate**

You may cancel your Online Banking service at any time by providing us with written notice by postal mail or fax. Your access to Online Banking will be suspended within 3 business days of our receipt of your instructions to cancel the service. You will remain responsible for all outstanding items prior to the date of cancellation.

#### **Our Right to Terminate**

You agree that we can terminate or limit your access to Online Banking Services without prior notice, if you have insufficient funds in any one of your Bath State Bank accounts to cover outstanding debits or bill payment requests. Online Banking service may be reinstated, in our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits. If you fail to access the Online Banking Services for 335 days, your online account will become dormant. You will be notified by mail and have 30 days to respond. If you do not respond, your Online Banking account will be closed. Closure of your account will include cancellation of bill pay set up and scheduled bill pay payments. If your account closes before a bill pay payment has posted, the check will be returned. Re-activation of online banking as well as bill pay will require the completion of a new enrollment. We may also terminate your Online Banking services upon reasonable notice, for any other reason at our sole discretion.

#### **Fees and Charges**

There are currently no fees or charges to use the Online Banking Services.

#### **Consent to Electronic Delivery of Notices**

You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and any future disclosures required by law, including electronic funds transfer disclosures, may be made electronically by posting the notice on the Bath State Bank website or by email. You agree to notify us immediately of any change in your email address.

#### **Communications between Bath State Bank and You**

Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways: Email - You can contact us by sending us a message by logging into Bank by Mouse. (Please note that banking transactions through Online

Banking are not made via email.) Telephone - You can contact us by telephone at 765-732-3022. Postal Mail - You can write to us at: Bath State Bank, Online Banking, P.O. Box 10, Bath, Indiana 47010.