



Online Banking Agreement and Electronic Funds Transfer Disclosure For Businesses

This Agreement and Disclosure provides information about the Jewett City Savings Bank Online Banking service and contains the disclosures required by the Electronic Funds Transfer Act.

For the purpose of this document, “you” and “your” shall refer to each authorized individual that registers for Online Banking. “We,” “our,” “us” or “bank” shall refer to Jewett City Savings Bank. All references to time of day in this Agreement and Disclosure refer to Eastern Standard Time.

A. Online Banking Service

Jewett City Savings Bank Online Banking service is an electronic banking service. You may access Online Banking by using a personal computer through Jewett City Savings Bank’s web page (www.jcsbank.com) on the Internet.

B. Checking Account Requirement

You understand that in order to use Online Banking for your business, you must have a business checking account with Jewett City Savings Bank.

C. Who Can Request Online Banking Service?

Any of those individuals authorized to “open any deposit or checking account(s)” in the name of your business, as designated on the business’ Resolution of Authority that has been filed with the bank, may request this service.

D. Service Available Through Online Banking

The Online Banking service allows you to:

- Transfer funds electronically (transfers);
- Obtain account information;
- Obtain certain Jewett City Savings Bank product and service information.

In addition to the Online Banking functionality, the Online Banking Bill Payment service allows you to:

- Access your designated account(s) and pay most bills (bill payments).

You understand that in adding a payee or maintaining a payee list, even if no payments are scheduled, you are electing to use the full Online Banking and Bill Payment service.

Collectively, these are referred to as the “Online Banking” service.

E. General Information About Online Banking

You may use Online Banking virtually any time, day or night, 7 days a week. However, Online Banking may be temporarily unavailable due to Jewett City Savings Bank record updating, or technical difficulties. In addition, access to Online Banking is made available pursuant to a license agreement by and between Jewett City Savings Bank and Online Resources & Communications Corporation. Any interruption of service or access caused by Online Resources will also prevent your use of the service.

To utilize this service, you will need to enter your User ID and Password and otherwise satisfy the system's security procedures. If you should provide your User ID and Password to any other party, you are authorizing that party to make transactions on your account. You are fully responsible for any transactions, including transfers or bill payments as a result of furnishing your User ID or Password to another party. Jewett City Savings Bank will not be liable for and will not reimburse you for any losses that may occur as a result of this use of your User ID or Password.

F. Business Days

When referred to, all days are business days except Saturdays, Sundays and holidays.

G. Transaction Procedures

Bill payments and transfers may be processed in three different transaction modes. They are as follows:

1. "Today." If you designate a payment or transfer as a "Today" transaction, the processing date will be the next business day. However, sufficient funds must be available on the day and at the time you request the "Today" transaction. "Today" bill payments and transfers may not be canceled for any reason once you have ended an Online Banking session, as funds are immediately deducted from your designated account.
2. "Future." If you designate a bill payment or transfer as a "Future" transaction, you may request that the transaction be made on a future date that you may designate up to 364 days in advance of the processing date. The processing date will be the future date you entered, or the next business day should the processing date fall on a weekend or holiday. Sufficient funds must be available by midnight of the night before the processing date, but will be deducted from your designated account on the processing date. "Future" transactions may be canceled or changed until 12:00 midnight of the night before the processing date.
3. "Recurring." If you designate a bill payment or transfer as a "Recurring" transaction, you may request, and Jewett City Savings Bank will use, a processing date that recurs on a specified regular basis (*i.e.* weekly, bi-weekly, monthly, etc). You will designate a "start" and "end" date. Sufficient funds must be available by midnight of the night before the processing date, but will be deducted from your designated account on the processing date. "Recurring" transactions may be canceled or changed until 12:00 midnight of the night before the processing date.

H. Bill Payments

1. **Account Designation and Payees.** Bill payments you make through Online Banking will be deducted from your designated business checking account. You may utilize the Online Banking service to make bill payments to a maximum of up to 250 payees. Any payee you wish to pay through Online Banking must be payable in U.S. Dollars and located in the United States. Each payee must appear on the payee list you create with us and the account you are paying with must be in your business name. **You may not use Online Banking to make payments to a federal, state or local governmental or tax unit, or to other categories of payees that we establish from time to time.**
2. **Processing.** Funds will be taken out of your designated business checking account on the processing date entered by you. In many cases, your bill payments are electronically delivered to the payee within two business days of the processing date. However, some payees are not set up to accept electronic payment. In these cases, a check will be sent, which may take five business days to process and deliver to the payee. Online Banking provides an indication of how many days to allow for each payee you designate.

You must allow sufficient time for Online Banking to receive your request and process the bill payments so that the funds can be delivered to the payee before the payment due date, or for loan payments, on or before the due date (the due date shown on your invoice or provided in your agreement with the payee, not taking into account any grace period provided by the payee). If you do not allow sufficient time, you will assume full responsibility for all late fees, finance charges, or other actions taken by the payee. If you schedule your payment with sufficient time, and the payment is not received by the payee, or is received late, Online Banking Customer Service will assume responsibility.

Jewett City Savings Bank is responsible only for exercising ordinary care in making payments upon your authorization and for mailing or sending a payment to the designated payee. Jewett City Savings Bank is not liable in any way for damages you incur if you do not have sufficient funds in your account to make the payment on the processing date, if the estimate of time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to account correctly for or credit the payment in a timely manner, or for any other circumstances beyond the control of the bank.

If the Online Banking bill payment that you have scheduled cannot be processed due to insufficient funds in your account, an in-session email will be sent to you through Online Banking. The payment will automatically be retried on the following business day. If funds are still not available for the transaction to be processed, a second in-session email will be sent to you through Online Banking. In all cases, if your payment fails after two attempts, you are responsible for either making alternate arrangements for the payment or rescheduling the payment through Online Banking.

3. **Activity.** If you have registered for the Online Banking bill payment service and you have not scheduled a bill payment for 120 days, we reserve the right to terminate this service.

I. Transfers

1. **Intrabank Transfers Only.** Transfers may only be made between business checking and business statement savings accounts in the same business name at Jewett City Savings Bank.
2. **Account Designation.** You may designate up to 10 business checking or business statement savings accounts at Jewett City Savings Bank between which you may transfer funds electronically through Online Banking. All of these accounts must be in the same business name.
3. **Funds Availability.** You must make transfers before 8:00 p.m. on a business day for those funds to be posted on an account that day and to be available for non-Online Banking transactions. Transfers designated as “Today” transactions made after 8:00 p.m., or on a weekend or holiday, will be available for the payment of non-Online Banking transactions on the following business day. “Today” transfers cannot be canceled. Transfers designated as “Future” or “Recurring” transactions will be processed by 11:00 A.M. of the scheduled processing date and at that time will become available for payment of non-Online Banking transactions. If the scheduled processing date falls on a weekend or holiday, the transfer will occur on the next business day. Future-dated transfers may be changed or canceled until 12:00 midnight of the night before the processing date.

J. Limitations on Services

1. **Dollar Limitations.** There is a dollar limit of the lesser of \$25,000.00 or the available balance in your designated funding account on any payment or intrabank transfer.
2. **Transfer Limitations.** Except as provided herein, all bill payments and transfers to and from an account are subject to the terms and conditions applicable to such account as set forth in the Deposit Account Agreement and Truth in Savings Disclosure governing such account. With respect to interest-bearing accounts, you may not make more than six transfers or withdrawals per statement cycle to another account of yours or to third parties, when these transfers are made by means of a preauthorized or automatic transfer, or telephonic agreement, order or instruction.
3. **Available Funds Required.** All bill payments and transfers initiated through Online Banking are subject to there being sufficient funds available in the designated funding account to cover payments or transfers on the processing date or earlier.
4. **Available Balance Limitations.** All bill payments and transfers from your business checking account are limited to the available balance of your business checking account.

K. Canceling or Modifying Online Banking Authorized Payments

Payments designated as “Today” transactions cannot be canceled or changed once your Online Banking session is terminated. Except as stated below, in order to cancel or change an Online Banking transaction designated as “Future” or “Recurring,” you must use Online Banking and follow the instructions provided to you. You must cancel the payment or transfer using Online Banking by 12:00 midnight of the day before the scheduled processing date. In certain instances, payments processed using “checks” instead of being processed electronically may be able to be stopped after your Online Banking session has been terminated. To determine if an Online Banking payment can be stopped, you may contact Online Banking Customer Service at 1-877-864-5189. You will be charged a fee if a stop payment order is placed as explained in the paragraph titled **Schedule of Service Charges**.

If you cannot access Online Banking to cancel a “Future” or “Recurring” payment, you may contact Online Banking Customer Service at 1-877-864-5189 to cancel a payment. If you call, your request to cancel a payment must be received no later than three business days before the scheduled date of the payment. If you call to cancel a “Recurring” payment, you must indicate whether the cancellation applies to only one of the recurring payments or all payments in the recurring stream. If you request a cancellation of a transaction as set forth above and we do not do so, we will be liable for the damages caused as explained in the paragraph titled **Liability for Failure to Make Payments**.

L. Authorization To Charge Accounts

You authorize us to charge your designated account(s) for any transactions accomplished through the use of Online Banking, including the amount of any bill payment or transfer that you make, and any charges incurred to process your transactions. You authorize us to process bill payments and to transfer funds according to the instructions we receive if the instructions are received from you through Online Banking. You authorize us to initiate any reversing entry or reversing file, and to debit your business accounts at Jewett City Savings Bank in order to correct any mistaken credit entry. You understand that if a bill payment or transfer request describes the beneficiary inconsistently by name and account number, execution of the request will occur on the basis of the account number, even if it identifies a person different from the named beneficiary.

M. Account Information; Electronic Notice

You may check the balance(s) of the Jewett City Savings Bank accounts that are linked by access through Online Banking. The balance figure may not reflect recent transactions, and may include funds that are not subject to immediate withdrawal. You may get a listing of transactions posted to your primary business checking account since your last monthly statement, and may get general account information for all other business accounts linked by access through Online Banking.

N. Fees

We will charge you a fee for any stop payment orders (refer to the paragraph titled **Canceling or Modifying Online Banking Authorized Payments**) that may be placed. The amount of this fee is set forth in the paragraph of this Agreement and Disclosure that is titled **Schedule of Service Charges**.

O. Security Procedures

A Temporary Password will be issued to you for security purposes. You understand that this password will be used only the first time you access the service, then you will define a new, permanent Password. Your Password is confidential and should not be disclosed to third parties. You are responsible for the safekeeping of your Password. You agree not to disclose or otherwise make your Password available to anyone not authorized to sign on your accounts.

You represent that you have considered the security procedures of the Online Banking services and find that the security procedures are commercially reasonable for verifying that a bill payment, transfer or other communication purporting to have been issued by you is, in fact, yours. In reaching this determination, you have considered the size, type and frequency of bill payments, transfers or other communications that you anticipate issuing to Jewett City Savings Bank.

If the Online Banking security procedures are not, in your judgment, commercially reasonable, you must inform us within 30 days. If the size, type and frequency of your bill payments and transfers change, and the result is that the Online Banking security procedures cease to be commercially reasonable, you must also inform us of this within 30 days.

P. Liability for Unauthorized Use

You will notify us immediately if you believe that an unauthorized person knows your User ID or Password. Telephoning us immediately is the best way of keeping your possible losses to a minimum. If you suggest that an unauthorized transfer or payment may have occurred, we may require you to sign an affidavit. You could lose all the money in your account(s) accessed through Online Banking if you do not inform us that an unauthorized person knows your User ID or Password.

YOU ARE FULLY RESPONSIBLE FOR ANY ONLINE BANKING TRANSACTIONS MADE TO YOUR ACCOUNT(S) IF ACCESS WAS GAINED USING YOUR USER ID OR PASSWORD. YOU AGREE TO IMMEDIATELY REIMBURSE THE BANK OR ONLINE RESOURCES & COMMUNICATIONS CORPORATION FOR ANY LOSS, CLAIM OR DAMAGE THAT IS SUSTAINED AS THE RESULT OF THE USE OF A USER ID OR PASSWORD ISSUED AT YOUR REQUEST TO ACCESS YOUR BUSINESS ACCOUNT(S). WE SHALL HAVE NO LIABILITY FOR ANY LOSS, CLAIM OR DAMAGE THAT YOU SUSTAIN AS THE RESULT OF THE USE OF ANY USER ID OR PASSWORD ISSUED PURSUANT TO THIS AGREEMENT TO ACCESS YOUR BUSINESS ACCOUNT(S).

You can use the Online Banking service for valid and lawful purposes only.

Q. Notification of Unauthorized Transaction

If you believe that an unauthorized person knows your User ID or Password, or that someone has transferred money or made payments from your account(s) without your permission using Online Banking, you will call Online Banking Customer Service at 1-877-864-5189.

R. Liability for Failure To Make Payments

If we do not send a payment or make a transfer on time, or in the correct amount according to your instructions given in accordance with this Agreement and Disclosure, we will be liable for damages caused. However, there are some exceptions. We will not be liable, for instance, if:

1. Through no fault of ours, your designated funding account does not contain sufficient funds to make the payment or transfer.
2. The equipment, ATM network, phone lines, or computer systems were not working properly, or were temporarily unavailable.
3. Circumstances beyond our scope of control, such as fire or flood, prevented the payment or transfer, despite reasonable precautions that we have taken.
4. A court order or legal process prevents us from making a transfer or payment.
5. We have a reasonable basis for believing that unauthorized use of your User ID, Password, or designated account have occurred or may be occurring.
6. The payee does not process a payment correctly, or in a timely manner.
7. If you default under any agreement with us.
8. If you or we terminate this Agreement.

There may be other exceptions stated in your agreement with us.

If any of the circumstances listed in subparagraph 2 or 3 shall occur, we shall assist you with reasonable efforts in taking appropriate corrective action to reprocess the transactions that may not have been completed or to correct transactions that have incorrectly been processed.

S. Errors or Questions

You will telephone us at 1-877-864-5189 or write to: Error Resolutions – Deposit Operations, Jewett City Savings Bank, P.O. Box 335, Jewett City, CT 06351 as soon as you can, if you think your statement is wrong or if you need more information about a bill payment or transfer listed on the statement. We must hear from you no later than 60 days after we send the statement on which the problem or error appeared. A statement is considered to have been sent when it is first made available. You must:

1. Tell us your name and account number.
2. Describe the error or payment you are unsure about, and explain as clearly as you can, why you believe it is an error or why you need more information; and
3. Tell us the dollar amount of the suspected error.

If you tell us verbally, you may be required to send your complaint or question to us in writing within ten business days. We may require you to provide your complaint in the form of an affidavit.

We will inform you of the results of our investigation within ten business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question. If we decide to do this, we will re-credit your account within ten business days for the amount you think is in error, so that you will have the use of your 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 do not receive it within ten days, we may not re-credit your account.

If we determine that there is no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

Other Problems

If you believe that an error other than an electronic funds transfer problem has occurred concerning a deposit account, you will refer to your monthly statement for instructions regarding how to have us resolve your question or correct an error.

T. Account Information Disclosure

We will disclose information to third parties about your account and the payments or transfers you make:

1. When it is necessary for verifying or completing payments or transfers, or resolving a problem relating to a payment or transfer;
2. In order to verify the existence and the condition of your account for a third party, such as a credit bureau or merchant;
3. In order to comply with government agencies or court orders;
4. To any subsidiary or affiliate;
5. If you give us your written permission; or
6. As otherwise permitted in Jewett City Savings Bank's Deposit Account Agreement and Truth in Savings Disclosure, by law, or as required by government regulations.

U. Documentation And Verification of Payments and Transfers

1. **Confirmation Numbers.** Upon completion of a transaction using Online Banking, a confirmation number will be given. You should record this number along with the name of the payee, scheduled date, and transaction amount in your checkbook register (or other permanent record), because this will help in resolving any problems that may occur. No printed receipts are issued through Online Banking. A Session Summary Report can be printed at the end of your Online Banking session.
2. **Periodic Statements.** Information concerning Online Banking transactions will be reflected on your normal statement for the account to and from which transfers or payments are made.

V. Unclaimed Payments

Payments made by check that are unclaimed and have been researched by Online Resources & Communications Corporation with no resolution or are less than \$500.00 will be refunded to the remitter's checking account by ACH credit the day following the 90 day research period. Online Banking users will be provided detailed information by in-session email about unclaimed payments and auto-refunds on the day that the refund is initiated. Payment will be stopped and a stop payment fee assessed on each unclaimed payment that is auto-refunded.

W. Other Conditions

You are responsible for complying with all terms of this Agreement and Disclosure and the regulations governing the deposit accounts which you access using Online Banking. We can terminate your Online Banking privileges without notice to you if you do not pay any fee required in this Agreement and Disclosure when due or if you do not comply with those agreements. The regulations governing your deposit account are set forth in your Deposit Account Agreement and Truth in Savings Disclosure, copies of which are available from any branch location.

X. Change In Terms

We will mail or deliver a written notice to you at least 30 days before the effective date of any change in a term or condition disclosed in this Agreement and Disclosure, if the change would result in increased fees or charges, increased liability for you, fewer types of available electronic funds transfers, or stricter limitations on the frequency or dollar amounts of transfers, unless prior notice is excused by law.

Y. Terminating the Online Banking Agreement

Either you or we may terminate this Agreement and your Online Banking service at any time upon giving written or verbal notice of the termination to the other party. You may mail any written notice of termination to the bank. Any of those individuals authorized to "open any deposit or checking account(s)" in the name of your business, as designated on the business' Resolution of Authority that has been filed with the bank, may terminate this service. We are not responsible for notifying any remaining authorized signers (if applicable) on the account of the termination of this service.

If you terminate the Online Banking service, you authorize us to continue making transfers and bill payments you have previously authorized until such time as we have had a reasonable time to act on your termination notice. Once we have acted on your termination notice, we will make no further transfers or payments from your account(s), including transfers or payments that you have previously authorized. If we terminate your use of the Online Banking service, we reserve the right to make no further transfers or payments from your account(s), including any transactions that you have previously authorized.

Z. Schedule of Service Charges

There is a fee of \$25.00 for each stop payment order (check payments only) that is placed.

Online Banking for Business Application Form

The User ID that you select must be 8-20 characters. This is the User ID that you will use to log in to Online Banking, so you'll need to remember it.

User ID: _____

Business Name: _____

Business Tax ID No.: _____

Business Address: _____

City, State, Zip Code: _____

Business Telephone: _____

Business Fax No.: _____

Your Name: _____

Title: _____

Email Address: _____

Your Mother's Maiden Name: _____

This is used by Online Banking Customer Service to verify your identity.

Checking Account No.: _____

Savings Account No.: _____

Other Account No.: _____

This completed application must be signed and returned to:

ATTN: Online Banking Coordinator
Jewett City Savings Bank
P.O. Box 335
Jewett City, CT 06351

By submitting this application, I am applying for Online Banking. I authorize you to charge the above stated account(s) for any fees or transactions associated with the use of Online Banking, including the amount of any recurring payments or transfers that I make. I agree to comply with the Online Banking Agreement and Electronic Funds Transfer Disclosure For Businesses, as subject to change.

I agree that sufficient funds must be available in my account on the date I schedule payments or transfers to be made using the Online Banking service.

A properly executed Resolution of Authority must be on file with the Bank for this application to be processed. Any of those individuals authorized to "open any deposit or checking account(s)" in the name of your business, as designated on the business' Resolution of Authority, may request this service.

Applicant's Signature

Date