

# Online Banking Agreement and Disclosure Statement

In this agreement, “we”, “us”, and “our” means **the little bank, Inc.** and “you” and “your” means each person or business entity who is authorized under this agreement. This agreement states the terms and conditions that apply when you use **the little bank, Inc’s Online Banking** service. These terms and conditions are in addition to those that apply to any accounts you have with us or any other services you obtain from us. You must also follow all of our instructions and procedures applicable to the services covered by this agreement.

This agreement applies to each person or business entity who establishes an Online Banking Account with us, or who uses or is authorized to use an Online Banking identification number and password, or other means of access we establish or approve. The term “Online Banking” means our service that allows you to make payments, transfer funds, access accounts, obtain information and perform other transactions over the Internet by use of a personal computer and modem and/or other means we authorize or allow.

## Security

To access our Internet Banking service, you must use the identification number and/or other means of access we establish or provide for your account, together with a password. Anyone to whom you give your Online Banking identification number and password or other means of access will have full access to your accounts even if you attempt to limit that person’s authority. You are responsible to strictly establish and maintain procedures to safeguard against unauthorized transactions. You agree that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agree to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices, and related instructions provided by us. If you suspect that any such information has been accessed by an unauthorized individual, you must verbally notify the bank immediately by contacting your local branch. If after normal business hours, you may contact us via email at [support@thelittlebank.com](mailto:support@thelittlebank.com) or you may leave us a message at 1-866-638-0552.

## Internet Banking Transactions

You or someone you have authorized by giving them your Internet Banking identification number and password or other means of access (even if that person exceeds your authority), can instruct us to perform the following transactions:

- Make transfers between your qualifying accounts to the extent authorized;
- Obtain account information that we make available about your qualifying accounts;
- View account activity on your accessible accounts;
- Review check images on accounts;
- Authorize payments to be made to third parties from a designated account;
- Place stop payments on checks.

For those entities who elect to use the Cash Management service, refer to your Cash Management agreement.

## Transactions Limitations

You must have enough available money or credit in any account from which you instruct us to make a payment or transfer. If any of your qualifying accounts are money market or statement savings accounts you may only make six (6) transfers from your account each statement cycle, no more than three of which may be by third party checks or withdrawals by draft or similar order. No accounts with online banking access may be designated as requiring more than one signature for withdrawals, transfers, or bill payments. When any transfer, loan payment, or bill payment is initiated through Online Banking for your benefit, you agree that we may debit the designated account(s) without requiring a signature on the item and without any notice to you. You also agree to the “Terms and Conditions of Your Deposit Account” that you received when you opened your deposit account.

## Liability

If we do not complete a payment or transfer on time or in the correct amount according to our agreement with you, we will be liable for your losses only to the extent of the amount of payment or transfer that should have occurred if we are unable to resolve the problem. We will not be liable, for:

- If, through no fault of ours, you do not have enough available money in the account from which a payment or transfer is to be made, or if the account has been closed or is not in good standing, or if we reverse a payment or transfer because of insufficient funds.

- If any payment or transfer would go over the credit limit or available collected balance or any account.
- If your equipment or ours was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.
- If you have not given us complete, correct or current account numbers or other identifying information so that we can properly credit your account, another person's/business' account or otherwise complete the transaction.
- If you do not properly follow our instructions, or if you provide us with wrong or inaccurate information or fail to correct or tell us about any inaccuracy of which you are aware.
- If you do not instruct us soon enough for your payment or transfer to be received, sent and/or debited or credited by the time its due.
- If the money in the account from which a payment or transfer is to be made is subject to legal process or any hold or block or other claim restricting the transactions or account.
- If circumstances, such as but not limited to, computer, telephone line or electrical failure, acts of nature, civil disturbances, suspension of banking hours or other such circumstances, or persons beyond our control prevent, delay, intercept or alter the transaction, despite reasonable precautions that we have taken.

### **Account Balances**

Balances shown in your account(s) may include deposits subject to verification by us. The balance reflected may differ from your records due to deposits in progress, checks outstanding or other withdrawals, payments or charges. A transfer request must be made before 6:00 p.m. EST to be effective the same business day.

### **Bill Payment Option**

If you enroll for the online bill payment feature of our Online Banking Service, you understand that the little bank, Inc. will process bill payment transactions on the scheduled payment date you select. We will process payments on the business day you designate as the scheduled payment date, provided the payment request is received prior to 6:00 p.m. EST. Requests received after the business day cut-off time, or at any time on a non-business day, will be processed on the next business day. We reserve the right to change the cut-off time by giving you thirty (30) days prior notice. When scheduling a bill payment, you must allow enough time for the payment to be received and posted by the Merchant. Due to circumstances beyond our control, some Merchants take longer to post payments than others. We will not be responsible for any finance charges or penalties incurred for late payments that were due to invalid information entered by the user, such as Payee address or user account number at the Payee. When you have a schedule payment, you authorize us to remit funds on your behalf which will be debited from your account when the payment is received and deposited by the Merchant and clears your account. You certify that your payment account is an account from which you are authorized to make payments and any payment you make will be debited from this account.

You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all bill payment requests, as well as, any other payment obligations you have to the little bank, Inc. We reserve the right, without liability, to reject or reverse a bill payment if you fail to comply with this requirement or any other terms of this agreement. If you do not have sufficient funds in your account and we have not exercised our right to reverse or reject the bill payment, you agree to pay for such payment obligations on demand. Regardless of whether a bill payment, for which there are insufficient funds available in your account, is paid or rejected, you agree that the Bank may charge your account our standard Insufficient Funds (NSF) Fee. You further agree that the Bank, at its option, may offset such liabilities against the balance of your accounts with the Bank in order to cover such payment obligations or liabilities to the little bank, Inc.

### **Fees**

Refer to the little bank, Inc. schedule of fees for a listing of applicable online banking and bill pay fees. Any applicable fees will be charged regardless of whether you used any Online Banking services during the billing cycle. There may be a charge for additional transactions and other optional services. Any fees associated with your deposit and loan accounts will continue to apply. You are responsible for any and all telephone access fees and/or Internet service fees that may be assessed by your telephone and/or Internet Service Provider.

### **Business Days**

Our Online Banking service is generally available 24 hours a day, 7 days a week. Transfers or payments made after 6:00 p.m. EST will be processed on the next business day. Banking holidays are not included.

### **Service Termination, Cancellation or Suspension**

In the event you wish to cancel your enrollment in the little bank, Inc.'s Online Banking Services, please contact your local branch representative. We may terminate or suspend your enrollment in our Online Banking Services at any time. Neither termination nor suspension shall affect your liability or obligations under this Agreement.

#### **Exclusions of Warranties and Limitation of Damages**

In addition to the terms previously disclosed, **the little bank, Inc.** is not responsible for any losses, errors, injuries, expenses, claims, attorney's fees, interest or other damages, whether direct, indirect, special, punitive, incidental or consequential, (collectively, "Losses") caused by **the little bank, Inc.** or the use of our online banking, or in any way arising out of the installation, use or maintenance of your personal computer hardware or software, including any software provided by **the little bank, Inc.** or one of its Service Providers. In addition, **the little bank, Inc.** disclaims any responsibility for any electronic virus(es) you may encounter after installation of such software or use of our online banking. Without limiting the foregoing, neither **the little bank, Inc.** nor its Service Providers shall be liable for any:

- Failure to perform or any Losses arising out of an event or condition beyond their reasonable control, including but not limited to communications breakdown or interruption, acts of God, or labor disputes; or
- The loss, confidentiality, or security of any data while in transit via the Internet, communication lines or postal system.

#### **Indemnification**

The customer shall indemnify, defend, and hold harmless **the little bank, Inc.** and its officers, employees, directors, suppliers, and agents, in their individual capacities or otherwise, from and against any Losses arising out of:

- The customer's negligence;
- The customer's failure to comply with applicable law; or
- The customer's failure to comply with this Agreement.

The customer also hereby indemnifies and releases **the little bank, Inc.** from any and all liability and agree not to make any claim against **the little bank, Inc.** or bring any action against **the little bank, Inc.** honoring or allowing any actions or transactions where you have authorized the person performing the action or transaction to use your account or when you have provided your User ID and Password to that person.

#### **Assignment**

You may not assign this Agreement to any other party. We may assign this Agreement in our sole discretion. We may also assign or delegate certain parts of our rights and responsibilities under this Agreement to independent contractors or other third parties.

#### **Captions**

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.