



**EATON FEDERAL**  
SAVINGS BANK

## **EATON FEDERAL SAVINGS BANK ONLINE BUSINESS BANKING AGREEMENT**

Eaton Federal Saving Bank (EFSB) is pleased to provide you our Online Business Banking service to meet your business needs. The Online Business Banking Agreement (agreement) contains the terms and conditions under which we will provide Online Business Banking Services (Services) to you. This Agreement is in addition to your other agreements with Eaton Federal Savings Bank, such as the Business Deposit Accounts Terms and Conditions, the fee schedules and any credit agreements you have with us. If there is a conflict between the terms and conditions of this Agreement and one contained in the other agreements between you and EFSB, this Agreement will control.

In this Agreement, the terms “financial institution”, “bank”, "we", "us", "our" and “EFSB” refer to Eaton Federal Savings Bank. The terms “company”, "you" and "your" refer to the person(s) or authorized signers on the account, authorized user (whether express or implied) or any individual issued a User ID and Password by your company.

For the purpose of this Agreement, our business days are Monday through Friday. Saturdays, Sundays, Holidays or other days on which EFSB remains closed are not business days.

### **Acceptance of This Agreement**

The Bank is not obligated to accept your enrollment until it has approved your application. The application process includes completion of all necessary forms, including the Online Business Banking Enrollment form (Enrollment form) and a new corporate resolution from your company for Online Business Banking. The Bank may also amend the Agreement from time to time and you expressly authorize the Bank to do so. If you object to any amendments to the Agreement, you must do so in writing. If you exercise this right you may no longer use Online Business Banking.

### **Online Banking Equipment and Technical Requirements**

In order to use EFSB Online Business Banking, you need a Pentium-class Windows or Macintosh based PC with 256 mb of memory and Adobe Acrobat Reader which you can get for free by visiting [www.adobe.com](http://www.adobe.com). You may also access the service by utilizing a mobile device. Either method chosen requires the use of an internet browser. You are responsible for

the installation, maintenance and monitoring of your own device. We are not responsible for any errors or failures caused by any malfunction of your device and we are not responsible for any virus or related problems that may be associated with the use of your device.

### **Online Business Banking Access**

As a business customer, you designate a Company Administrator (“Administrator”) to manage your EFSB Online Business Banking service. This individual is generally employed by you and will be granted access to all of the enrolled online banking services. The Administrator, at his or her sole discretion, can create and authorize other employees as a user of the system. The Administrator can add, delete or change the access authorities for a user including the accounts they are allowed to access and the dollar amount of the transactions they are allowed to process. There is no limit on the number of users an Administrator can authorize. By granting an individual access to your accounts as an administrator or authorized user with a User ID and Password you expressly agree to take responsibility for all activity initiated by those individuals. **In effect, you have authorized each transaction to take place and EFSB will not be held liable for individual User actions.**

The Administrator and each user with authority to access your accounts through EFSB Online Business Banking will have a unique user ID and User Password. The User ID for the Administrator can only be changed by the Bank; the Password for the Administrator is initially set by the Bank and subsequently changed by the Administrator. The user ID for a user can be issued and changed by the Administrator; the User Password for a user is initially set by the Administrator and subsequently changed by the user.

Generally, you should change your passwords frequently to help safeguard the security of your accounts. You may change your password under the Administration section by choosing the Change Password option. Bank employees will never contact you via e-mail or by telephone requesting your online password or any other personal information. If you are contacted by anyone requesting this information, do not provide it and contact the Bank immediately at (866) 699-3372. The system will ask you to change your password every 60 days.

It is critically important to keep your User IDs and Passwords confidential to prevent unauthorized transactions on your Bank accounts. In the event that you wish to change authorization (as a result of personnel changes, your business policy, or for any other reasons) it is the Administrators sole responsibility to revoke access to protect against improper use of the EFSB Online Business Banking service. If you suspect any misuse of the Online Business Banking Service by authorized personnel, your Administrator should revoke that employee’s access immediately.

You will designate your Administrator on a properly executed Enrollment Form. You will give notice to the Bank in writing of any change in your Administrator by completing a new Enrollment form or an Enrollment Change Form. Upon receipt of notice in the form of a newly executed Enrollment Form the Bank will substitute the new Administrator for the previous Administrator and will issue new User IDs and Passwords as necessary. We will not take actions based on your new enrollment form until we receive the form and have a reasonable opportunity to act.

### **Authorization for Transactions and Liability**

You agree that the Bank may act on the verbal, written or electronic instructions of **any of your authorized users.**

### **Online Business Banking Company Administrator(s), User Administrator(s), or User(s)**

Our Online Business Banking service is designed so that it may be operated only upon entry of a valid User ID and Password. Since we condition access upon entry of a valid User ID and Password, we will accept instructions for transfers or other transactions from any person using a valid User ID, Password and Secure Access code. This is so even if the person obtaining access:

- Is not a company representative
- Exceeds your authority or that granted by any company representative
- Does not have your authority
- Has had his/her authority changed or revoked
- Is an imposter or thief

### **Accessible Accounts**

You may access account transaction information and conduct electronic banking transfers with EFSB Checking accounts and savings accounts. Bill payment may be conducted with an EFSB Checking account. You may designate any EFSB account as a “View Only” account. You may also access account and transaction information and initiate loan payments to loan accounts.

### **Online Banking Services**

The Online Banking service gives you access to:

- Account balance and transaction information
- Transfer funds between your EFSB accounts
- Bill Payment to a third party via check or electronic transaction
- Transfer funds to and from accounts at other financial institutions via the Automated Clearing House (“ACH”)
- Stop Payments
- Process electronic transactions to or from a third party via the Automated Clearing House (“ACH”)
- Initiate outgoing domestic wire transfers
- Request Photo Copy
- Reorder Checks
- Request Account Research
- Request Cash/Change Order
- Request Bill Pay Research
- Initiate or receive secure messages to/from the Bank

### **Account Balance and Transaction Information**

The account information you access via EFSB Online Business Banking will generally be current as of the business day you obtain the information, unless another date and time is specified.

You may access your account(s) by utilizing an internet enabled device and by using your User ID and Password to access information about the account balance and transaction history of checking accounts and savings accounts.

### **Transfers between EFSB Accounts**

You have the ability to set up a one time or recurring, monthly or weekly transfer via EFSB Online Business Banking. Transfer of funds is permitted between your EFSB checking and savings.

You may access your account(s) by utilizing an internet enabled device and by using your User ID and Password to:

- Transfer funds from checking to checking
- Transfer funds from checking to savings
- Transfer funds from statement savings to checking
- Transfer funds from statement savings to statement savings
- Transfer no more than the available balance in your account or an amount defined by the bank.

Transfers made after 9:00 p.m., on a weekend or holiday will have an effective date of the following business day.

If you wish to cancel a scheduled or recurring transfer, you must cancel the transfer before 9:00 p.m. on the business day before the transfer is scheduled to occur.

### **Statement Savings and Money Market Statement Type Account Limitations**

Please note that for any Statement savings or Money Market statement type account(s), you may make as many in-person withdrawals as you wish, but Federal law limits the number of telephone and/or third (3rd) party electronic fund transfers from your account to no more than six (6) per statement cycle. This limit includes those conducted by 24 Hour Telephone transfers, EFSB Online Business Banking, checks, POS transactions, overdraft protection transfers, ACH transactions, online bill payments and online transfers.

### **Bill Payment**

If you have chosen this option, any individual authorized to do so on your account may make payments from a checking account(s) you have designated for bill payment. Your payments will be made either electronically to the person or business you are paying (the "payee") or by sending the payee a paper check.

### **Electronic Transactions (ACH)**

You and your authorized users may collect payments, pay bills, initiate direct deposit payroll, and deposit checks electronically. Electronic transactions are sent through the Automated Clearing House “ACH” and must be submitted to online business banking by the specified cut-off time for processing the same business day. Cut-off times can be found on the EFSB Online Business Banking website.

### **Stop Payments**

Your stop payment requests must follow the procedures and specifications we establish for this service. You must provide us with timely, complete and accurate information on:

- The number of the account against which the item is drawn;
- The date of the item;
- The item number; and
- The exact amount (dollars and cents) of the item

Complete accuracy is essential since stop payment orders are processed by computers operating on the basis of precise data. If any of the required information is incomplete or incorrect, we will not be responsible for failing to complete the order. Stop payment requests, which cover a range of checks that are missing or stolen, may be processed by us without regard to the dollar amount. A stop payment order becomes effective when we confirm its receipt and have verified that the item has not been paid. We will not be able to verify this immediately for items paid more than 90 days prior to your request. Stop payment orders are in effect for six months and can be renewed after the 6-month period upon your written request. Failure to renew the stop payment order may result in the item being paid. From time to time, our systems may be inoperable. If that occurs, you may transmit stop payment orders by telephone instruction. You are advised that under applicable state law, stopping payment on a check may not relieve you of your obligation to pay the check.

### **Business Mobile Banking**

You have the option of accessing EFSB Online Business Banking by enrolling to use an internet enabled mobile device. When using a mobile device you may:

- Review account balances, account details and transaction history
- Make one-time funds transfers between EFSB Accounts
- Initiate payments from recipients previously established by you on EFSB Online Business Banking
- Receive alerts requesting you to authorize transactions

Refer to the current EFSB schedule of fees to determine mobile banking fees. When you use Business Mobile Banking you agree to the following terms and conditions:

- We may send any message through your Internet service provider in order to deliver them to you. You agree that your communication services provider is acting as your agent in this capacity.
- You agree to provide a valid phone number for this service so that we may send you certain information about your applicable account. We will determine in our sole discretion what information we make available through this service.

- You agree to indemnify, defend and hold us harmless from and against any and all claims, losses, liability, cost and expenses (including reasonable attorneys' fees) arising from your provision of a phone number that is not your own or your violation of applicable federal, state or local law, regulation or ordinance. Your obligation under this paragraph shall survive termination of the Agreement.
- Business Mobile Banking is provided for your convenience and does not replace your monthly account statement(s), which are the official record of your accounts.
- You agree to protect your communications device that receives information through this service and not to let any unauthorized person have access to the information we provide to you through this service.
- Receipt of account information through Business Mobile Banking may be delayed or impacted by factor(s) pertaining to your phone carrier or other parties outside of our control.
- We will not be liable for losses or damages caused in whole or in part by your actions or omissions that result in any disclosure of account information to third parties. Also, nothing about Business Mobile Banking creates any new or different liability for us beyond what is already applicable under your existing account agreements.
- EFSB charges for the service can be found in the current EFSB fee schedule.
- You are also responsible for any telephone charges incurred in connecting to your Internet Service Provider (ISP) that gives you access to the Internet.
- You may cancel your Business Mobile Banking service by calling the Bank at (866) 699-3372 during the business hours of Monday – Friday 9:00 a.m. to 5:00 p.m. and Saturday 9:00 a.m. to 12:00 noon or by having your Company Administrator disable the service using EFSB Online Business Banking.

### **Documentation and Verification of Transfers and Payments**

**Confirmation Numbers:** Upon completion of a transfer or bill payment using EFSB Online Business Banking, you will be given a confirmation. You should record this information, along with 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 EFSB Online Business Banking.

**Periodic Account Statement:** You will get a monthly account statement from us for your checking and savings accounts. Any transfers or bill payments conducted on the Internet through the EFSB Online Business Banking service will appear on your account statement.

You agree to promptly examine all account statements and any confirmations of transactions which we or other banks may send or make available to you, and to promptly notify us of any discrepancy or error within 30 days of receipt of any such statement or confirmation. Call us (866) 699-3372 or write us at Eaton Federal Savings Bank, P.O. Box 219, Charlotte, MI 48813 as soon as you can, if you think your statement is wrong or if you need more information about a transaction covered by this agreement which is listed on the statement.

### **Notification of Unauthorized Transactions or a Lost or Stolen Access Device**

If you believe your User ID and/or your Password has become known by an unauthorized person or someone has completed transactions or made payments without your permission, immediately call EFSB at (866) 699-3372, Monday through Friday between the hours of 9:00 A.M. and 5:00 P.M. and Saturday between the hours of 9:00 A.M. and 12:00 P.M. or write to us at Eaton Federal Savings Bank, Box 219, Charlotte, MI 48813. Note: In order to minimize the risk of loss, we strongly suggest that you call us immediately and then confirm in writing.

### **Overdrawing Your Account**

If an overdraft in your account does occur, you will pay the full amount of the overdraft and associated fees to the Bank immediately upon request.

### **Fees**

You agree to pay us the fees we establish for each of your services. Fees will be automatically debited from a specified account. Please refer to the current Fee Schedule.

### **Notices**

Written notice by you should be sent to Eaton Federal Savings Bank, P.O. Box 219, Charlotte, MI 48813. Notices sent by us shall be deemed delivered once mailed by us to your last known address in our records.

### **Inactivity**

If you do not use EFSB Online Business Banking (for account access, transaction processing or bill paying) for an extended period, we reserve the right to terminate your access to EFSB Online Business Banking and request that you re-register online to reactivate your access.

### **Electronic Communications**

Internet email communication is not considered to be a secure form of communication. For bank account inquiries you agree to contact EFSB electronically using only the secure messaging feature on the online business banking system. You also agree that any communication from us to you regarding your online banking accounts including any disclosures or other information required to be delivered in writing under applicable law may be delivered to you in electronic form and that such electronic communication shall be in lieu of written communication. This includes electronic delivery of changes in terms notices affecting your use of online banking.

### **Security Procedures**

The online banking system employs sophisticated encryption to ensure the secure transmission of data. The system also utilizes multi-factor authentication accomplished with out-of-band delivery of secure access codes and offers anti-phishing protection. By using online banking, you agree with us that the online banking security procedures are reasonable and sufficient to insure that all transaction requests such as bill payment and transfer instructions or other communication we receive from you have in fact, been made by you. You must consider the size, type and frequency of transactions or other communications that you anticipate making when determining whether you consider the Banks online banking procedures to be sufficient.

**In short, by using online banking, you have determined the online banking system is**

## **secure for your purposes.**

If the size, type and frequency of your transactions change, and because of these changes you determine that the online banking security procedures cease to be reasonable and sufficient, you must inform the Bank of this immediately. Such a determination means you will no longer use online banking for any purposes. If you wish to learn more about online banking security, please ask us.

Notwithstanding any security procedure which may from time to time be in effect for detecting errors in transactions covered by this agreement, we have no duty to discover or report to you any such errors. Neither shall we be liable to you for the failure of such security procedure to detect such errors, regardless of the manner in which we apply such security procedures.

### **Third-Party Services**

In addition, the EFSB Online Business Banking services may occasionally provide links to web pages provided by third parties. When you access those web pages provided by third parties, you are leaving the Bank's secure web site. Some of those pages may not be secure. Each of those web sites will operate under its own privacy policy. You are solely responsible for reviewing the privacy policy on each website and providing only that information you believe it is appropriate to share with the provider of that website.

Our site may include promotional materials via links to web pages provided by third parties from whom you may purchase certain goods or services. You understand that we do not operate or control the products or services. The party providing each product or service is responsible for all aspects of order processing, fulfillment, billing and customer service. We are not a party to the transactions entered into between you and those third parties. You agree that your use of any such service is **AT YOUR SOLE RISK AND IS WITHOUT WARRANTIES OF ANY KIND BY US, EXPRESSED, IMPLIED OR OTHERWISE INCLUDING WARRANTIES OF TITLE, FITNESS FOR PURPOSE, AND MERCHANTABILITY OR NONINFRINGEMENT. UNDER NO CIRCUMSTANCES ARE WE LIABLE FOR ANY DAMAGES ARISING FROM THE TRANSACTIONS BETWEEN YOU AND OTHER SITES LINKED TO OUR SITE.**

### **Disclosure of Information to Third Parties**

To maintain your privacy, we will not disclose any information about you or your accounts to any person, or organization or agency except:

- For certain routine disclosures necessary for the completion of a transfer
- For verification of the condition and existence of your account for a credit bureau or merchant
- To persons authorized by law in the course of their official duties
- To our employees, auditors, service providers, attorneys or collection agents in the course of their duties
- Pursuant to a court order or lawful subpoena
- To a consumer reporting agency



- To our joint marketing with other financial companies

If an unauthorized disclosure has been made, we must inform you of the details of the disclosure within a reasonable amount of time after we have discovered that an unauthorized disclosure has occurred.

### **Information Provided by You**

You represent and warrant that all information you provide to us is accurate, complete, and current information for eligibility, application, registration, payment and all other purposes. If, at any time, any information you have provided us becomes inaccurate, you will promptly provide us the additional information necessary to make the information you previously provided true and complete in all material respects. You are responsible for all statements made and acts that occur through the use of your User ID and Password, and for all instructions entered through and under your User ID and Password.

### **Indemnification**

If you are a business entity or an individual performing transactions from a business account, you agree to indemnify us and hold us harmless from and against any and all claims, demands, expenses (including but not limited to reasonable attorney fees and costs), losses or damages claimed by any third parties (including but not limited to any company representatives or other persons authorized to perform transactions) arising out of (i) any transactions or attempted transactions covered by this agreement from a business account or (ii) your breach of this agreement. If we initiate any legal action to collect money owed to us under this agreement or any related agreements, including any counterclaim, you agree to pay all our costs for such action, including any reasonable attorneys' fees. This provision does not apply to action in connection with any credit account. In such cases, the credit agreement will govern these costs.

### **Amendment & Termination**

We have the right to modify or amend this Agreement as allowed by law. Any modifications or amendments by EFSB shall be effective thirty (30) days after EFSB sends notice of the amendments to you. Either of us may terminate this Agreement at any time by giving written notice to the other, but the termination of this Agreement does not terminate your account(s) with EFSB. Closing the account(s) which you access EFSB Online Business Banking with terminates this Agreement simultaneously. The Bank may also cancel your privilege to use EFSB Online Business Banking even without telling you in advance.

### **Miscellaneous**

Your right to use EFSB Online Business Banking is not transferable. Any User ID, Password, or right given to you to obtain information, documents, or services is not transferable. You are responsible for compliance with applicable Federal, State, local laws and regulations as well as ACH rules. You agree not to process transactions that are restricted under the Unlawful Internet Gambling Enforcement Act (UIGEA). Internet Gambling transactions are prohibited and should not be processed through any accounts.

## Governing Law

This Agreement will be governed by and interpreted in accordance with Federal Law and regulation, and to the extent no such applicable Federal Law or regulation exists, by the law of the State of Michigan.

## Online Business Banking Security Recommendation

Eaton Federal Savings Bank is committed to helping to ensure the safety of your financial identity, your financial assets and your personal information. The information that follows is a collection of practices that if followed will help to ensure your safety.

- Review and reconcile your accounts on a daily basis and report any suspicious activity to EFSB immediately.
- Require dual control of ACH and wire transfer payments. Each transaction should be drafted by one employee and approved by another (dual control). With EFSB Online Business Banking a simple entitlement can be created to establish this safety net.
- Be suspicious of e-mails purporting to be from a financial institution, government department or other agency requesting account information, account verification or banking access credentials such as usernames, passwords, PIN codes and similar information. **Eaton Federal Savings Bank will never call you and ask for personal or business information over the telephone or request information via e-mail.**
- Install a dedicated, actively managed firewall, especially if you have a broadband or dedicated connection to the Internet, such as DSL or cable. A firewall limits the potential for unauthorized access to a network and computers.
- Create a strong password.
- Prohibit the use of “shared” usernames and passwords.
- Change your password periodically or every 60 days.
- Never share your username and/or password, token serial number, token code, or token with anyone, including third-party providers.
- To avoid phishing attacks, do not enter token codes into links that you clicked in e-mail. Instead, type in the URL of the reputable site to which you want to authenticate.
- Limit administrative rights on workstations to help prevent the inadvertent downloading of malware or other viruses.
- Install commercial anti-virus and desktop firewall software on all computer workstations. Free software may not provide the level of protection against the latest threats that a licensed industry standard product can provide.
- Ensure virus protection and security software are updated regularly.
- Ensure computer updates are completed regularly or as requested, particularly operating systems and key applications. It is often possible to sign up for automatic updates or update notifications for your operating system and many applications.
- Consider installing a spyware detection program or software.
- Verify use of a secure session by noting the https (not http) in the browser’s web address bar and looking for the picture of the lock in the bottom right hand corner of your browser.
- Avoid using automatic login features that save usernames and passwords for online banking.
- Never leave a computer unattended while using any online banking. Regularly close your browser and clear you cache of data. Please be advised that when following this best practice, you will be required to obtain a secure access code to register your browser.

- Never register a computer to use your EFSB Online Business Banking at Internet cafes, public libraries, etc. Use the “One Time Activation” security feature or “Challenge Code” security feature. Review the EFSB Online Business Banking User Guide for information and implementation procedures on these security features.
- Familiarize yourself with EFSB’s Online Business Banking Agreements and your liability for fraud under the agreement. These agreements can be found on the EFSB Online Business Banking login page. **Immediately escalate any suspicious activity or transactions to an EFSB representative by calling (866) 699-3372.** *There is a limited recovery window for fraudulent transactions and immediate escalation may prevent further loss.*