

## NETTELLER ONLINE BANKING™ AGREEMENT (CONSUMER)

### Bank of Richmondville

#### 1. Meaning of some words. In this agreement:

- a. "NetTeller Online Banking" means NetTeller Online Banking™, a trademark of Jack Henry & Associates, Inc.;
- b. "We," "us," "our" and "ours" mean Bank of Richmondville, 857 East Main Street, P.O. Box 40, Cobleskill, NY 12043;
- c. "You" and "your" mean any individual who submits to us an application for NetTeller Online Banking and who does not represent to us that he or she will use NetTeller Online Banking primarily for business purposes;
- d. "Your application" means your application to us for NetTeller Online Banking, as originally submitted to us or as changed by any updating information submitted to us at any time, whether through NetTeller Online Banking, in writing or in any other way;
- e. "Your deposit accounts" means all deposit accounts with us that are designated in your application and are approved by us as accessible for transfers of funds through the banking feature of NetTeller Online Banking;
- f. "Your payment account" means, if the bill payment feature of NetTeller Online Banking is elected in your application, whichever of your deposit accounts is designated in your application as the demand deposit or NOW account to be used for payments through the bill payment feature;
- g. "Your line of credit accounts" mean all line of credit accounts with us that are designated in your application and are approved by us as accessible for transfers of funds through the banking feature;
- h. "Your loan accounts" mean your line of credit accounts and all other mortgage, installment and other loan accounts with us that are designated in your application and are approved by us as accessible for transfers of funds through the banking feature;
- i. "The bill payment processor" means the bill payment processor that provides services to us in connection with the bill payment feature; and
- j. "Your identification numbers" means the customer identification number and all personal identification numbers assigned to you by us or the bill payment processor, or chosen by you, for use with NetTeller Online Banking.

**2. Your deposit accounts.** You represent to us that none of your deposit accounts is a fiduciary account, an account for which two or more persons are required to sign a check written on the account or a withdrawal form for the account or an account subject to a similar restriction. However, no limitation on a transfer of funds or payment from any of your deposit accounts arising because the account is a fiduciary account, because the account is one for which two or more persons are required to sign a check written on the account or a withdrawal form for the account or because the account is subject to a similar restriction will apply to any transfer of funds or payment initiated by an order described in Section 7 or 8.

**3. Limitation of liability.** The selection, installation, maintenance, operation and use of the computer, related equipment and services (for example, modem, telephone or other telecommunications equipment and telephone or other internet access service) and software you use for NetTeller Online Banking are your responsibility. **EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW, IN NO EVENT WILL WE BE LIABLE FOR ANY LIABILITY, LOSS OR DAMAGE (FOR EXAMPLE, ACTUAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE AND EXEMPLARY DAMAGES), WHETHER BASED IN CONTRACT, TORT OR STRICT LIABILITY OR OTHERWISE, ARISING OUT OF OR IN ANY WAY CONNECTED WITH ANY OF THE FOLLOWING THINGS, EVEN IF WE ARE ADVISED OF OR OTHERWISE KNOW OR SHOULD KNOW OF THE POSSIBILITY OF THE LIABILITY, LOSS OR DAMAGE:**

- a. **ANY ERROR IN THE SELECTION, INSTALLATION, MAINTENANCE, OPERATION OR USE, OR ANY CONFIGURATION PROBLEM OR INCOMPATIBILITY, OF THE COMPUTER, RELATED EQUIPMENT AND SERVICES OR SOFTWARE;**
- b. **ANY FAILURE OR MALFUNCTION OF THE COMPUTER, RELATED EQUIPMENT AND SERVICES OR SOFTWARE;**
- c. **ANY FAILURE OR MALFUNCTION OF, OR ANY COMPROMISE OF DATA SENT USING, ANY TELEPHONE OR OTHER INTERNET ACCESS SERVICE YOU USE TO CONNECT TO NETTELLER ONLINE BANKING;**
- d. **ANY VIRUS OR SIMILAR PROBLEM RESULTING FROM THE USE OF NETTELLER ONLINE BANKING; OR**
- e. **ANY FEATURE OR FUNCTION OF ANY OF THE SOFTWARE THAT IS NOT INVOLVED WITH NETTELLER ONLINE BANKING (FOR EXAMPLE, HOME BUDGETING).**

**4. Your identification numbers.** Your identification numbers will be used to initiate orders and requests described in Sections 7 and 8 through NetTeller Online Banking.

A customer identification number called a NetTeller Online ID will be required for use with NetTeller Online Banking. We will assign the customer identification number to you, but you may rename it with an alias.

A personal identification number called a NetTeller Password will be required for use with the banking feature of NetTeller Online Banking. We will assign a temporary personal identification number to you for use with the banking feature, but you will be required to choose a new personal identification number for use with the banking feature.

A personal identification number called a Bill Pay Password will be required for use with the bill payment feature of NetTeller Online Banking. We will assign a temporary personal identification number to you for use with the bill payment feature, but you will be required to choose a new personal identification number for use with the bill payment feature.

You should not choose as a new personal identification number for use with the banking feature or bill payment feature of NetTeller Online Banking any personal identification number for any electronic banking card that can be used to obtain access to any deposit account you have with us now or in the future.

You may not allow anyone else to have any of your identification numbers unless you authorize him or her to use NetTeller Online Banking in any way described in Section 7 or 8. You must keep your identification numbers confidential and in a secure location separate from the computer, related equipment and software you use for NetTeller Online Banking. For reasons of security, we or the bill payment processor may, at any time and without any notice to you, render any of your identification numbers ineffective.

We will not be liable for any damage you suffer as a result of your allowing anyone else (for example, a party that aggregates account information or content of websites) to have any of your identification numbers.

**5. Your responsibility for orders.** You will be responsible for and bound by each order described in Section 7 or 8 that is given through NetTeller Online Banking by anyone else you allow to have any of your identification numbers or to use NetTeller Online Banking in any way described in Section 7 or 8, and the order and each transfer of funds or payment initiated by the order will be covered by this agreement as though the order had been given by you.

**6. Features of NetTeller Online Banking.** NetTeller Online Banking has two features: a banking feature and a bill payment feature. The banking feature is always included in NetTeller Online Banking, while the

bill payment feature is included in NetTeller Online Banking only if elected in your application.

**7. Banking feature.** Subject to the provisions of this agreement, the banking feature of NetTeller Online Banking may be used to:

a. Give an order to us to make a non-recurring transfer of funds from any of your deposit accounts to any other of your deposit accounts or any of your loan accounts or from any of your line of credit accounts to any other of your loan accounts or any of your deposit accounts as long as your application designates the account from which the transfer is to be made as an account from which transfers may be made and designates the account to which the transfer is to be made as an account to which transfers may be made;

b. Give an order to us to make a series of recurring transfers of funds of the same amount from any of your deposit accounts to any other of your deposit accounts or any of your loan accounts or from any of your line of credit accounts to any other of your loan accounts or any of your deposit accounts as long as your application designates the account from which the transfers are to be made as an account from which transfers may be made and designates the account to which the transfers are to be made as an account to which transfers may be made;

c. Give an order to us changing or canceling an order described in clause a of this sentence that was previously given through the banking feature;

d. Give an order to us changing or canceling as to all future transfers of funds an order described in clause b of this sentence that was previously given through the banking feature; and

e. Request information available through the banking feature concerning any deposit or loan account with us that is approved by us as accessible for information through the banking feature (for example, information concerning deposits in and withdrawals from a deposit account, the balance of a deposit account and, if a deposit account is one for which checks are supplied by us as a means of making withdrawals from the account, images of checks charged against the account).

**8. Bill payment feature.** Subject to the provisions of this agreement, the bill payment feature of NetTeller Online Banking may be used to:

a. Give an order to us to make a non-recurring payment from your payment account;

b. Give an order to us to make a series of recurring payments of the same amount from your payment account;

c. Give an order to us changing or canceling an order described in clause a of this sentence that was previously given through the bill payment feature;

d. Give an order to us canceling as to all future payments an order described in clause b of this sentence that was previously given through the bill payment feature; and

e. Request available information concerning payments from your payment account made through the bill payment feature.

Any payment from your payment account made through the bill payment feature will be made by either an electronic transfer of funds through an automated clearing house to the payee of the payment or the sending of a check to the payee. Because the payee will not receive a payment stub with the payment and because the payee may process payments made without a payment stub at a different location than is normally the case or may take longer than is normally the case to process those payments, it may be advisable for you to verify with the payee the address to which the payment should be sent and the period of time required for the posting of the payment.

**9. Initiation, processing, charging, changing and cancellation of orders.** The following rules apply to the initiation, processing, charging, changing and cancellation of orders described in Sections 7 and 8 that are given through NetTeller Online Banking:

a. If an order to make a non-recurring transfer of funds is given through the banking feature of NetTeller Online Banking:

- i. The order must schedule the transfer to be made on a specified date;
- ii. The transfer will be scheduled to be made on the date the order schedules it to be made, except that:

A. The transfer will be scheduled to be made on our first business day after that date if that date is the day we receive the order and either that date is not a business day of ours or we receive the order after 3:30 p.m. eastern United States time on that date; and

B. The transfer will be scheduled to be made on our last business day before that date if that date is not the day we receive the order and is not a business day of ours and we receive the order by 3:30 p.m. eastern United States time on our last business day before that date;

iii. The transfer may be charged against the account from which it is to be made as early as the date on which it is scheduled to be made; and

iv. The order may be changed or canceled until 3:30 p.m. eastern United States time on the date on which the transfer is scheduled to be made.

b. If an order to make a series of recurring transfers of funds is given through the banking feature:

i. The order must provide for the transfers to be equal in amount and regular in frequency on a weekly, semi-monthly or monthly basis and must schedule them to begin on a specified date after the day we receive the order;

ii. Each of the transfers will be scheduled to be made on the date the order schedules it to be made, except that, if it is the first of the transfers:

A. It will be scheduled to be made on our first business day after that date if that date is the day we receive the order and either that date is not a business day of ours or we receive the order after 3:30 p.m. eastern United States time on that date; and

B. It will be scheduled to be made on our last business day before that date if that date is not the day we receive the order and is not a business day of ours and we receive the order by 3:30 p.m. eastern United States time on our last business day before that date;

iii. Each of the transfers may be charged against the account from which it is to be made as early as the date on which it is scheduled to be made; and

iv. The order may be changed or canceled with respect to any of the transfers until 3:30 p.m. eastern United States time on the date on which the transfer is scheduled to be made.

c. If an order to make a non-recurring payment is given through the bill payment feature of NetTeller Online Banking:

i. The order must provide as the payee of the payment a party that is located in the United States, would not be receiving the payment under a court order and is not regarded by us as ineligible for payment through the bill payment feature;

ii. The order may not provide for the payment to be made in other than United States funds;

iii. The order must schedule the payment to be made on a specified date;

iv. The payment will be scheduled to be made on the date the order schedules it to be made, except that:

A. The payment will be scheduled to be made on the first day after that date that is any day Monday through Saturday and is not a legal holiday if that date is the day we receive the order and either that date is a Sunday or legal holiday or we receive the order after 1:00 p.m. eastern United States time on that date; and

B. The payment will be scheduled to be made on the last day before that date that is any day Monday through Saturday and is not a legal holiday if that date is not the day we receive the order and is a Sunday or legal holiday and we receive the order by 1:00 p.m. eastern United States time on the last day before that date that is any day Monday through Saturday;

v. The payment may be charged against your payment account as early as the date on which it is scheduled to be made; and

vi. The order may be changed or canceled until 1:00 p.m. eastern United States time on the day before the date on which the payment is scheduled to be made.

d. If an order to make a series of recurring payments is given through the bill payment feature:

i. The order must provide for the same payee of all of the payments and must provide as the payee a party that is located in the United States,

would not be receiving the payments under a court order or is not regarded by us as ineligible for payment through the bill payment feature;

ii. The order must provide for the payments to be equal in amount and regular in frequency on a weekly, biweekly, semi-monthly, monthly, quarterly, semi-annual or annual basis and must schedule them to begin on a specified date;

iii. The order may not provide for any of the payments to be made in other than United States funds;

iv. Each of the payments will be scheduled to be made on the date the order schedules it to be made, except that, if it is the first of the payments:

A. It will be scheduled to be made on the first day after that date that is any day Monday through Saturday and is not a legal holiday if that date is the day we receive the order and either that date is a Sunday or legal holiday or we receive the order after 1:00 p.m. eastern United States time on that date; and

B. It will be scheduled to be made on the last day before that date that is any day Monday through Saturday and is not a legal holiday if that date is not the day we receive the order and is a Sunday or legal holiday and we receive the order by 1:00 p.m. eastern United States time on the last day before that date that is any day Monday through Saturday;

v. Each of the payments may be charged against your payment account as early as the date on which it is scheduled to be made; and

vi. The order may be changed or canceled with respect to any of the payments until 1:00 p.m. eastern United States time on the day before the date on which the payment is scheduled to be made.

**10. Limitations and other rules applicable to transfers of funds and payments.** The following limitations and other rules apply to transfers of funds and payments initiated by orders described in Sections 7 and 8 that are given through NetTeller Online Banking:

a. Any transfer of funds or payment from any of your deposit accounts ordered through NetTeller Online Banking will be subject to the funds being available for withdrawal from the account when the order to make the transfer or payment is to be charged against the account with respect to the transfer or payment.

b. Any transfer of funds from any of your line of credit accounts ordered through the banking feature of NetTeller Online Banking will be subject to the funds being available as credit under the account when the order to make the transfer is to be charged against the account.

c. If, when any order to make a transfer of funds or payment from any of your deposit accounts given through NetTeller Online Banking is to be charged against the account with respect to the transfer or payment, the amount of the transfer or payment exceeds the amount of money available for withdrawal from the account (taking into consideration, if the account is tied to a line of credit account or other overdraft facility with us, the amount of credit available under the line of credit account or other overdraft facility), we may either make the transfer or payment, in which case you will be liable for the excess, or refuse to make the transfer or payment. In either case, you will be liable for any fee applicable to the withdrawal or attempted withdrawal of money from the account in excess of the amount of money available for withdrawal from the account. But, if we refuse to make the transfer or payment, we may, but we will not have to, attempt to make it on a later business day of ours.

d. If, when any order to make a transfer of funds from any of your line of credit accounts given through the banking feature is to be charged against the account, the amount of the transfer exceeds the amount of credit available under the account, we may either make the transfer, in which case the amount of the transfer will be considered to be credit extended under the account, or refuse to make the transfer. In either case, you will be liable for any fee applicable to the obtaining of the credit or attempted obtaining of credit in excess of the amount of credit available under the account.

e. For reasons of security, we may, at any time and without any notice to you, refuse to honor any order to make a transfer of funds or payment given through NetTeller Online Banking.

f. We may, at any time and without any notice to you, refuse to honor any order to make a transfer of funds or payment given through NetTeller Online Banking if the order reasonably appears to us to be fraudulent or erroneous.

g. If an order to make a transfer of funds or payment given through NetTeller Online Banking contains an inconsistency in the name and account or other identifying number of an account or payee, financial institution or other party, we may, but we will not have to, treat the number as controlling and rely on the number in processing the order.

h. If any of your deposit accounts is a savings account or money market investment account, during any monthly period at the end of which we review the account there may be no more than six transfers of funds from the account that are:

i. A transfer of funds to any other of your deposit accounts ordered through the banking feature;

ii. Any other computer transfer of funds to any other of your deposit accounts, any other deposit account with us or a third party;

iii. A preauthorized, automatic or telephonic transfer of funds to any other of your deposit accounts, any other deposit account with us or a third party;

iv. A transfer of funds to a third party made by using an electronic banking card (for example, a transfer of funds to pay the purchase price of goods or services); or

v. A transfer of funds made by using a check, a draft or any other order payable to a third party.

i. An order to make a series of recurring payments must not be given through the bill payment feature of NetTeller Online Banking unless a printer or other means is available to obtain a printed copy of the authorization for the series of payments for your records.

j. You will be responsible for giving us any order to make a payment through the bill payment feature in sufficient time for the order to be processed and the payment to be sent so that the payment is received by the payee of the payment by the date the payment is to become due without taking into consideration any grace period provided by the payee, and you will be responsible, and we will not be liable, for any consequence of your not doing so (for example, any finance or late charge resulting from the payment being made late). If the payment is to be made by an electronic transfer of funds to the payee, up to three of our business days after the day we receive the order if that day is a business day of ours, or up to three of our business days after our first business day after that day if that day is not a business day of ours, will be necessary to allow for processing of the order so that the payment is received by the payee by the date it is to become due. If the payment is to be made by the preparation and sending to the payee of a check, up to five of our business days after the day we receive the order if that day is a business day of ours, or up to five of our business days after our first business day after that day if that day is not a business day of ours, will be necessary to allow for the processing of the order so that the payment is received by the payee by the date it is to become due.

k. We may at any time and without any notice to you, refuse to honor any order to make a payment given through the bill payment feature if, because the order identifies the same payee, payment date and amount, it appears to duplicate another order to make a payment given through the bill payment feature.

**11. Stopping transfer of funds or payment in series of recurring transfers of funds or payments.** If an order to make a series of recurring transfers of funds or payments of the same amount is given through NetTeller Online Banking, we may be ordered to stop any transfer or payment in the series by telephoning us at 518-234-4397 and asking for a Customer Service Representative or writing us at Bank of Richmondville, 857 East Main Street, P.O. Box 40, Cobleskill, NY 12043, in time for us to receive the order to stop the transfer or payment at least three of our business days before the date on which the transfer or payment is scheduled to be made. The order will not be binding on us with respect to the transfer or payment if we do not receive it at least three of our business days before the date on which the transfer or payment is scheduled to be made. However, even if we do not receive the order at least three of our business days before the date on which the transfer or payment is scheduled to be made, we may follow it even though it will not be binding on us. If we receive the order at least three of our business days before the date on which the transfer or payment is scheduled to be made, we will be liable to the extent provided by applicable law for any damage you suffer as a result of our failure to comply with the order, but we will be liable for

actual damages only and not consequential or punitive damages if the failure was not intentional and resulted from a bona fide error despite our maintenance of procedures reasonably adapted to avoid the error. If the order is not in writing, we may require you to provide a written confirmation of the order to us so that we receive the written confirmation within 14 days after the date the order is given to us. In that case, the order will cease to be binding on us 14 days after the date it is given to us unless we receive the written confirmation during the 14 days. However, even if we do not receive the written confirmation during the 14 days, we may continue to follow the order even though it is no longer binding on us. The order may be limited to a single transfer or payment in the series, or it may apply to all future transfers or payments in the series. If it applies only to a single transfer or payment in the series, we may, but we will not have to, allow any other transfer or payment in the series. You will be liable in connection with the order for any fee applicable to the ordering of the stopping of a transfer of funds or payment from whichever of your deposit accounts is the account from which the transfer or payment is to be made.

**12. Authorization and appointment as agent.** You authorize us and appoint us as your agent to take on your behalf any action we believe necessary or appropriate to implement any order described in Section 7 or 8 that is given through NetTeller Online Banking or to correct any error in crediting or charging any of your deposit accounts or any of your loan accounts in connection with any order described in Section 7 or 8 that is given through NetTeller Online Banking. For example, you authorize us and appoint us as your agent to on your behalf:

- a. Withdraw money from any of your deposit accounts and deposit the money in any other of your deposit accounts in order to implement any order to make a transfer of funds from the first deposit account to the other deposit account given through the banking feature of NetTeller Online Banking;
- b. Withdraw money from any of your deposit accounts and use the money to make a payment under any of your loan accounts in order to implement any order to make a transfer of funds from the deposit account to the loan account given through the banking feature;
- c. Obtain credit under any of your line of credit accounts and deposit the proceeds of the credit in any of your deposit accounts in order to implement any order to make a transfer of funds from the line of credit account to the deposit account given through the banking feature;
- d. Obtain credit under any of your line of credit accounts and use the proceeds of the credit to make a payment under any other of your loan accounts in order to implement any order to make a transfer of funds from the line of credit account to the other loan account given through the banking feature; and
- e. Withdraw money from your payment account in order to implement any order to make a payment from your payment account given through the bill payment feature of NetTeller Online Banking.

Our withdrawal of money from any of your deposit accounts or our obtaining of credit under any of your line of credit accounts under the authority given and the appointment as your agent made in the first sentence of this section will be as effective as though you had signed a check or withdrawal form to make the withdrawal or to obtain the credit.

In addition, you authorize the bill payment processor and appoint it as your agent to take on your behalf any action it believes necessary or appropriate to implement any order described in Section 8 that is given through the bill payment feature. For example, you authorize the bill payment processor and appoint it as your agent to direct us on your behalf to withdraw funds from your payment account in order to implement any order to make a payment from your payment account given through the bill payment feature.

**13. Fees.** The fee schedule accompanying this agreement shows the fees you must pay for the use of NetTeller Online Banking or any feature of NetTeller Online Banking, which are in addition to the fees applicable to any of your deposit accounts or any other deposit account you have with us now or in the future. We may charge any of the fees against any of your deposit accounts or any other deposit account you have with us now or in the future.

**14. Confirmation number.** Upon our confirming any order to make a payment given through the bill payment feature of NetTeller Online

Banking, we will provide to you through the bill payment feature a confirmation number for the order. The confirmation number, together with information contained in the order (for example, the amount of the payment, the date the payment is scheduled to be made and the payee of the payment) will be useful in resolving any problem with the payment that may occur.

**15. Statements.** Approximately once a month, we will send you or otherwise make available to you a statement for each of your deposit accounts for which checks are supplied by us as a means of making withdrawals from the account or that is combined for purposes of statements with another of your deposit accounts for which checks are supplied by us as a means of making withdrawals from the account. Approximately once a month, we will review each of your deposit accounts and send you or otherwise make available to you a statement for it if any transaction has been credited to or charged against it since we last reviewed it. But in any event, we will send you or otherwise make available to you a statement for it approximately once a quarter. Any statement for any of your deposit accounts that we send you or otherwise make available to you will show all transactions credited to or charged against the account during the period covered by the statement.

**16. Business days.** Our business days are Monday through Friday, excluding legal holidays.

**17. Notice of loss, theft, unauthorized use or error.** If you believe that any of your identification numbers has been lost or stolen, that any transaction involving any of your deposit accounts may have been or may be made without your authorization or that we may have made an error with respect to any of your deposit accounts, you must contact us at once by telephoning us at 518-234-4397 and asking for a Customer Service Representative or writing us at Bank of Richmondville, 857 East Main Street, P.O. Box 40, Cobleskill, NY 12043.

**18. Your liability for unauthorized use.** You may have to bear the loss of money taken from any of your deposit accounts in any transfer of funds, payment or series of related transfers of funds, payments or transfers of funds and payments ordered through NetTeller Online Banking by an order or orders initiated by the use of any of your identification numbers without your authorization. How much of the loss you will have to bear will depend on when we are notified that any of your identification numbers has been lost or stolen or that there are circumstances indicating that a transfer of funds or payment involving any of your deposit accounts ordered through NetTeller Online Banking has been or may be initiated by the use of any of your identification numbers without your authorization. If we are notified within two of our business days after the date you learn of the loss, theft or possible unauthorized transfer or payment, you will have to bear (subject to limitations under federal law) as much as \$50 of the loss. If we are not notified within those two business days and we can show that we could have stopped the taking of the money had we been notified during those two business days, you will have to bear (subject to limitations under federal law) as much as \$500 of the loss. In addition to any loss you must bear under the two preceding sentences, if any statement for any of your deposit accounts that we send you or otherwise make available to you shows any transfer of funds or payment involving any of your deposit accounts ordered through NetTeller Online Banking by an order initiated by the use of any of your identification numbers without your authorization, we are not notified of the unauthorized transfer or payment within 60 days after the date we send you the statement or otherwise make it available to you and we can show that we could have stopped the taking of the money had we been notified of the unauthorized transfer or payment during those 60 days, you will have to bear (subject to limitations under federal law) all of the loss occurring after the end of those 60 days and before we are notified of the unauthorized transfer or payment. For a good reason (such as a long trip or hospital stay by you), we will extend the periods of two of our business days and 60 days referred to in this section for a reasonable time.

**19. Our liability for failure to make transfers of funds and payments.** With exceptions, we will be liable to the extent provided by applicable law for any damage you suffer as a result of our failure to make, on time and in the correct amount, any transfer of funds or payment to or from any of your deposit accounts ordered by a timely and properly initiated order to make the transfer or payment given through NetTeller Online Banking. Whether the order is timely will be determined under Section 9 and, if the order is to make a payment, paragraph j of Section 10. The order will not be properly initiated unless:

- a. The computer, related equipment and software you use for NetTeller Online Banking and each telephone and other internet access service you use to connect to NetTeller Online Banking are properly functioning;
- b. The instructions and requirements on how to give the order are properly followed;
- c. The order is described in Section 7 or 8 and is correct and complete (for example, if the order is to make a payment, the order includes the correct name and address of the payee of the payment, the correct account number of the account to which the payment is to be made and the correct amount of the payment); and
- d. The transfer or payment would not be subject to any limitation referred to in Section 10.

Examples of exceptions to our liability are as follows:

- a. We do not receive the order;
- b. Before the order is to be charged against the account from which the transfer or payment is to be made, your right to use NetTeller Online Banking or the feature of NetTeller Online Banking involved in the transfer or payment is canceled;
- c. When the order is processed or is to be charged against the account from which the transfer or payment is to be made, we in good faith believe that the order was given without your authorization (for example, because any of your identification numbers has been reported as lost or stolen) or is fraudulent;
- d. The order is to make a transfer of funds and, before the order is to be charged against the account from which the transfer is to be made, either that account or the account to which the transfer is to be made is closed;
- e. The order is to make a payment and we do not receive the order in time to allow us to make the payment and allow the payee of the payment to properly credit it by the date on which it is to become due, we make the payment in time to allow the payee to properly credit it by the date on which it is to become due but the payee fails to do so or, before the order is to be charged against your payment account, your payment account is closed;
- f. The order is to make a transfer of funds or payment from a deposit account and through no fault of ours, when the order is processed or is to be charged against the account, the amount of the transfer or payment exceeds the amount of money available for withdrawal from the account (taking into consideration, if the account is tied to a line of credit account or other overdraft facility with us, the amount of credit available under the line of credit account or other overdraft facility);
- g. The order is to make a transfer of funds from a line of credit account and through no fault of ours, when we process the order or when the order is to be charged against the account, the amount of the transfer exceeds the amount of credit available under the account;
- h. When the order is processed or is to be charged against the account from which the transfer or payment is to be made, money in the account is subject to any legal process (for example, a tax levy, a subpoena or an order providing for restraint, attachment, garnishment or execution) or administrative hold restricting its removal from the account, is collateral for a loan or other extension of credit or is the subject of a dispute or legal proceeding;
- i. When the order is given, NetTeller Online Banking or the feature of NetTeller Online Banking involved in the transfer or payment is unavailable because maintenance work is being performed on it;
- j. We are prevented from making the transfer or payment by a technical malfunction and when the order is given, the individual giving it knows that NetTeller Online Banking or the feature of NetTeller Online Banking involved in the transfer or payment is not functioning properly;
- k. An occurrence beyond our control (for example, a fire, flood, failure or malfunction of any computer or telecommunications equipment or service, delay or loss of mail by the postal service, act of war or terrorism or governmental action or inaction) prevents us from making the transfer or payment despite our exercise of reasonable care to prevent the occurrence and our exercise of diligence to make the transfer or payment despite the occurrence; and
- l. Our failure to make the transfer or payment is justified by any provision of this agreement, by any provision of any other agreement

between you and us concerning any of your deposit accounts, any of your loan accounts, any line of credit account or other overdraft facility with us to which any of your deposit accounts is tied or transfers of funds or payments to or from any of your deposit accounts, any of your loan accounts or the line of credit account or other overdraft facility or by applicable law.

If we are liable for any damage you suffer as a result of our failure to make the transfer or payment on time and in the correct amount, we will be liable for actual damages only and not consequential or punitive damages if the failure was not intentional and resulted from a bona fide error despite our maintenance of procedures reasonably adapted to avoid the error.

**20. Disclosure.** In the regular course of our business but not to the extent prohibited by applicable law, we will disclose information concerning any of your deposit accounts or any transaction involving the account:

- a. In any receipt issued in connection with the transaction;
- b. As necessary to complete the transaction or to resolve any error or dispute concerning the transaction;
- c. In any statement for the account that we send or otherwise make available;
- d. To someone in whose name the account is open;
- e. In accordance with the written permission of someone in whose name the account is open;
- f. To verify the existence and condition of the account or to report our experience concerning the account to a third party such as another financial institution, a credit reporting agency or a merchant;
- g. To any agent, contractor or vendor of ours for the purpose of providing any service to us in the regular course of our business or completing marketing activities of ours (for example, the bill payment processor or any other party providing any service to us in connection with NetTeller Online Banking); and
- h. To comply with any order of any court or other governmental body or as otherwise required or allowed by applicable law.

**21. Cancellation.** You may cancel your right to use NetTeller Online Banking or any feature of NetTeller Online Banking at any time by notifying us in writing. The cancellation will not take effect until we receive the notice and have a reasonable time to act on it. At any time, for any reason and without any notice to you, we may cancel your right to use NetTeller Online Banking or any feature of NetTeller Online Banking. The cancellation will take effect immediately unless we decide to have it take effect later. Once the cancellation by you or us of your right to use NetTeller Online Banking or any feature of NetTeller Online Banking takes effect, we may, but we will not have to, process any order described in Section 7 or 8 that is given through NetTeller Online Banking before the cancellation takes effect and would involve the use of a feature of NetTeller Online Banking that your right to use has been canceled. The cancellation by you or us of your right to use NetTeller Online Banking or any feature of NetTeller Online Banking will not affect any of your obligations under this agreement.

**22. Electronic mail.** We will not have to take any action based on any communication sent to us by electronic mail (for example, electronic mail sent to us through NetTeller Online Banking) until we receive and have a reasonable time to act on the communication. Electronic mail (for example, electronic mail sent to us through NetTeller Online Banking) must not be used to communicate to us information that is urgent or requires a prompt response or prompt action (for example, a stop payment order, a report of a lost or stolen card or a report of an unauthorized transaction involving a deposit account or line of credit account).

**23. Recording and obtaining of information.** You consent to the recording by us, the bill payment processor or any other party providing any service to us in connection with NetTeller Online Banking of any information, notice, order or other communication sent through NetTeller Online Banking or by electronic mail (for example, electronic mail sent to us through NetTeller Online Banking). In addition, you consent to the obtaining by us or the bill payment processor from the payee of any payment that is ordered through the bill payment feature of NetTeller Online Banking of any information that we consider or the bill payment

processor considers necessary or appropriate to complete the payment or to resolve any error concerning the payment.

**24. Reasonable time to act.** A reasonable time for us to act on any information, notice, order or other communication or document received by us (for example, electronic mail sent to us through NetTeller Online Banking) will not end until at least the close of business on our first business day after our business day we receive the information, notice, order or other communication or document.

**25. Notices and change of address.** Any notice or other communication or document concerning this agreement or NetTeller Online Banking that we send you may be sent in any way not prohibited by applicable law (for example, through NetTeller Online Banking or by electronic mail). If sent by mail, the notice or other communication or document may be sent to your current mailing address shown in our records concerning NetTeller Online Banking and may be sent by regular mail. If your mailing address or electronic mail address changes, you must promptly notify us of the new address in writing. Except as otherwise provided in this agreement or by applicable law:

a. Any notice or other communication or document concerning this agreement or NetTeller Online Banking that we send you will take effect when we send it; and

b. Any notice or other communication or document concerning this agreement or NetTeller Online Banking that you send us must be in writing and sent by mail or courier and will not take effect until we receive it and have a reasonable time to act on it.

**26. Changes in agreement.** No change in this agreement can be made except as provided in this section. We may change this agreement at any time. We will send you any notice of the change that applicable law requires us to send you. If applicable law does not require us to send you any notice of the change, we will either send you a notice of it or post a notice of it on our World Wide Web site unless we consider it to be for reasons of security.

**27. Changes in NetTeller Online Banking.** We may change NetTeller Online Banking at any time by adding, deleting or changing any feature of NetTeller Online Banking. We will send you any notice of the change that applicable law requires us to send you. If applicable law does not require us to send you any notice of the change, we will either send you a notice of it or post a notice of it on our World Wide Web site unless we consider it to be for reasons of security. By using any added or changed feature of NetTeller Online Banking, you will be agreeing to be bound by all our requirements concerning the added or changed feature.

**28. Changes in fees.** We may at any time establish a new fee or change an existing fee you must pay for the use of NetTeller Online Banking or any feature of NetTeller Online Banking. If we establish a new fee or increase an existing fee you must pay for the use of NetTeller Online Banking or any feature of NetTeller Online Banking, we will send you any notice of the new fee or increase that applicable law requires us to send you. If applicable law does not require us to send you any notice of the new fee or increase, we will either send you a notice of it or post a notice of it on our World Wide Web site. We will not have to notify you if we decrease or eliminate an existing fee for the use of NetTeller Online Banking or any feature of NetTeller Online Banking.

**29. No notice or loss of rights.** We may exercise, give up, fail to exercise or delay exercising any of our rights with respect to you or NetTeller Online Banking without any notice to you. By exercising, giving up, failing to exercise or delaying the exercise of any of the rights on any occasion, we will not lose that right on any other occasion or lose any other of the rights.

**30. Giving up of rights.** None of our rights with respect to you or NetTeller Online Banking can be given up by us except in a writing signed by us.

**31. No transfer of rights and obligations.** You may not transfer any of your rights and obligations under this agreement or with respect to NetTeller Online Banking to anyone else. Any transfer of any of the rights and obligations will be void.

**32. Conflicts.** If any part of this agreement conflicts with applicable law, that law will control, and this agreement will be considered changed to the extent necessary to comply with that law.

**33. Continued effectiveness.** If any part of this agreement is determined by a court to be invalid, the rest of this agreement will remain in effect.

**34. What law applies.** Any legal question concerning this agreement or NetTeller Online Banking will be decided in accordance with New York State law without regard to the law of any other state and in accordance with, to the extent applicable, federal law.

**35. Entire agreement.** Except for any agreement between you and us concerning any of your deposit accounts, any of your loan accounts, any line of credit account or other overdraft facility with us to which any of your deposit accounts is tied or transfers of funds or payments to or from any of your deposit accounts, any of your loan accounts or the line of credit account or other overdraft facility, this agreement is the final and complete agreement between you and us concerning NetTeller Online Banking. If any part of any agreement described in the preceding sentence is incompatible with any part of this agreement, the part of this agreement will control. Any statement concerning NetTeller Online Banking made by any of our employees or anyone else is not part of this agreement. This agreement replaces any other agreement now existing between you and us concerning NetTeller Online Banking.

**36. Agreement.** By signing an agreement to be bound by this agreement, using NetTeller Online Banking in any way described in Section 7 or 8 or allowing anyone else to have any of your identification numbers or to use NetTeller Online Banking in any way described in Section 7 or 8, you agree to be bound by all provisions of this agreement, all our instructions and requirements concerning NetTeller Online Banking or any feature of NetTeller Online Banking and all legal terms and conditions contained on our World Wide Web site.

The following information applies to your deposit accounts, while the agreements concerning your line of credit accounts have similar information applicable to your line of credit accounts.

In Case of Errors or Questions About Your Electronic Transfers

Telephone us at 518-234-4397 and  
ask for a Customer Service Representative  
or

Write us at Bank of Richmondville,  
857 East Main Street, P.O. Box 40,  
Cobleskill, NY 12043,

as soon as you can, if you think that your statement is wrong or if you need more information about a transfer listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within ten business days.

We will determine whether an error occurred 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 days to investigate your complaint or question. If we decide to do this, we will credit your account within ten business days 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 do not receive it within ten business days, we may not credit your account.

For errors involving new accounts, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide there was no error, we will send you a written explanation. You may ask for copies of the documents that we