

# Electronic Banking Disclosure and Agreement



**EASTERN SAVINGS BANK®**

Established 1905

www.easternsavingsbank.com

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Table of Contents	
<b>Electronic Banking Disclosure and Agreement</b>	<b>1</b>
Definitions	1
<b>Electronic Banking Services</b>	<b>1</b>
Security	2
Errors or Questions	2
Limitations	2
Liability	2
<b>ATM and POS Services</b>	<b>3</b>
Lost or Stolen Cards	3
Use of Card	3
Limitations	3
<b>Direct Deposit and Direct Debit Service</b>	<b>4</b>
Electronic Check Conversion	4
Electronic Payments	4
Confirmation of Deposits	4
Stop Payments	4
<b>Online Banking &amp; Bill Pay Service and 24-Hour Telephone Banking System</b>	<b>4</b>
Available Services	4
Limitations	5
Posting of Transactions	5
Bill Payment	5
Limitations	6
<b>Additional Terms and Conditions for Consumer Customers</b>	<b>6</b>
Liability for Unauthorized Transfers	6
Errors	6
<b>Additional Terms and Conditions for Business Customers</b>	<b>6</b>
Responsibility and Liability	6
Authentication	7
Provisional Credit	7
<b>Arbitration</b>	<b>7</b>

**“Access Device”** means a Card, code, or other means of access to a consumer’s Account that may be used by a consumer to initiate an electronic funds transfer.

**“Agreement”** means this Electronic Banking Agreement and our other agreements, terms, and conditions for your type of Account.

**“ATM”** means an automated teller machine either operated by the Bank or which is part of a network that accepts the Card, including, but not limited to, the STAR®, CIRRUS®, and NYCE® networks.

**“Automated Clearing House (ACH)”** means a nationwide electronic funds transfer network that enables participating financial institutions to distribute electronic credit and debit entries to bank accounts and to settle such entries.

**“Bill Payment Account”** means the Eastern Savings Bank checking and/or savings Account(s) that you have designated for use in our online banking bill pay service.

**“Business Day(s)”** means Monday through Friday, excluding holidays.

**“Card”** means the Access Device issued to you by the Bank that permits you to use ATMs and POS Terminals.

**“Electronic Banking System”** means the components that permit you to view or initiate Transactions through various Services including, but not limited to, ATMs, POS Terminals, telephone, Internet-enabled devices and the automated clearing house system.

**“Electronic Check Conversion (ECK)”** means your check is used as a source of information and then is used to make a one-time electronic payment from your Account. The check itself is not the method of payment.

**“PIN” or “Password”** means the personal identification number or personal security code, whether one or more than one, which you choose or was assigned to you by the Bank, which allows you to access one or more Services.

**“POS Terminal”** means an electronic point-of-sale terminal that is part of a network that accepts the Card to pay for purchases from your Primary Checking Account.

**“Primary Account”** means the Account, whether one or more than one, that you have designated as your Primary Account(s) for certain Services as described below.

**“Service(s)”** means all of the electronic banking services described in this Electronic Banking Agreement, including ATM Cards, electronic direct deposits and debits, 24-hour telephone banking system (EMMA), online banking and bill pay, and mobile banking.

**“Transaction(s)”** means all electronic funds transactions performed through one or more of the Services, including ATMs, POS Terminals, electronic direct deposits and debits, telephones, Internet-enabled device, and other electronic means.

**“Transfers”** means transfers of funds among your Accounts conducted through one of the Services.

## I. Applicable to All Electronic Banking Services

This Section contains terms, conditions, and disclosures that are applicable to all of our Services. Sections II through IV contain additional information applicable to specific types of Services. Section V contains additional information for all consumer customers and Section VI contains additional information for all business customers. The provisions of Sections II-IV are limited to the Services or circumstances outlined in each Section and are

## Electronic Banking Disclosure and Agreement

This Electronic Banking Disclosure and Agreement (“Electronic Banking Agreement”) contains important information about the electronic banking services Eastern Savings Bank, fsb offers from time to time. Please read it carefully and retain it for future reference. The terms “you” and “your” refer to all holders and authorized users of any Account which may be accessed through electronic banking services. The terms “we,” “us,” “our,” and “Bank” refer to Eastern Savings Bank, fsb. By signing an application and/or by using electronic banking services, you agree to the following terms and conditions. Continued use of any and all Services is contingent upon your Account(s) remaining in good standing with the Bank and the other conditions stated in this Electronic Banking Agreement.

Throughout this Electronic Banking Agreement, the following words have the meanings indicated below:

**“Account”** means your Eastern Savings Bank checking and/or savings account(s), whether one or more than one, that may be accessed by one or more Services according to your request.

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not intended to alter or modify other terms or conditions governing your Account(s) or other services or products available to you, including, without limitation, overdraft protection services. In conjunction with the DEPOSIT ACCOUNT AGREEMENT, this Electronic Banking Agreement supersedes all prior oral or written agreements, understandings, or communications regarding the Services. The Bank's managers and employees do not have the authority to verbally or otherwise modify or change these contract rights and obligations except in writing as provided below in "Changes in Terms." Certain information concerning fees applicable to Services is contained in our BANKING SERVICES AND FEES schedule, which has been provided to you and is also available in any of our deposit branches.

**1. Security and Data Recording:** For certain Services or Transactions, we will assign (or you will select) a PIN/Password. The PIN/Password will be required to use the Service and is a "security procedure." You agree that this security procedure is commercially reasonable and is designed to authenticate your Transactions. If you use Services for business purposes, instructions received by the Bank are effective as your instructions, whether or not you authorized them in fact. You agree that you will not disclose, and will prevent the disclosure of, your PIN/Password. If the confidentiality of the PIN/Password is compromised, you shall notify us immediately. You assume the sole responsibility for maintaining the PIN/Password. When you access any of the Services, your instructions may be recorded. You consent to such recording.

**2. Errors or Questions About Your Electronic Transaction(s):** In case of errors or questions about your electronic Transaction(s), please contact us as indicated below as soon as you can. If you think your statement or receipt is wrong, or if you need more information about a Transaction listed on the statement or receipt, please contact us.

**Phone:** 1-800-787-7372  
9:00 a.m. -4:00 p.m. ET, Business Days Only  
  
1-800-754-4128  
To report Lost/Stolen Cards/PINs on Evenings,  
Weekends, and Holidays  
  
1-800-544-2939  
To report other Account security concerns on  
Evenings, Weekends, and Holidays

**Write:** Eastern Savings Bank, fsb  
Attention: Deposit Operations Department  
Executive Plaza 2  
11350 McCormick Road, Suite 200  
Hunt Valley, MD 21031

**E-mail:** customerservice@easternsavingsbank.com

**In Person:** At any Eastern Savings Bank deposit branch office

For more information on our deposit branch hours and locations, call our 24-hour telephone banking system, "EMMA," at 410-568-6307 or 1-877-528-7786 if you are calling from outside the Baltimore/Metropolitan area. Find us on the web at [www.easternsavingsbank.com](http://www.easternsavingsbank.com), or see our GUIDE TO BRANCH HOURS AND LOCATIONS.

In all cases, in order for us to process your inquiry, you must write, call, or contact us in person:

- a. Tell us your name and Account number (if any).
- b. Describe the error or the Transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- c. Tell us the dollar amount of the suspected error.

We will handle your inquiries as indicated in Section V, Additional Terms and Conditions for Consumer Customers or Section VI, Additional Terms and Conditions for Business Customers.

**3. Periodic Statements, Receipts, and Confirmations:** You will get a monthly statement for any Account that has a Transaction that month. In any event, you will get a statement at least quarterly. Further information on receipts or confirmations that may be available are discussed in Sections II-IV for the particular Service.

**4. Limitations on Frequency and Dollar Amount of Transactions:** Federal banking regulations restrict the number of Transfers and withdrawals from any type of savings Account to another of your Accounts with us or to a third party by means of a preauthorized, telephone, or automatic transfer (which would include Transfers made via direct debit service; 24-hour telephone banking system, "EMMA"; and online banking and bill pay service) to six per month/monthly statement cycle. There are additional limitations on the dollar amount and/or number of Transactions that you may make under the various Services per processing cycle (approximately daily) and they are discussed in greater detail in Sections II-IV. In all cases, security concerns may lead to other limits on the number or dollar amount of Transactions you may make from time to time. The Bank also reserves the right to modify limits on a case-by-case basis.

**5. Liability for Incomplete Transactions:** If we do not complete a Transaction to or from your Account on time or in the correct amount according to this Electronic Banking Agreement, our potential liability to you is set forth in Section V (3) for consumer customers and in Section VI (1) for business customers. However, there are some exceptions to our liability in all cases. We will NOT be liable, for instance:

- If, through no fault of ours, you do not have enough money (available funds) in your Account to make the Transaction.
- If the Transaction would go over the credit limit on your overdraft line.
- If the ATM where you are making the Transaction does not have enough cash.
- If the Electronic Banking System was not working properly and you knew about the breakdown when you started the Transaction.
- If circumstances beyond our control (such as fire or flood) prevent the Transaction, despite reasonable precautions that we have taken.
- If you have not properly followed instructions for operation of the Electronic Banking System.
- If the funds in your Account are subject to a "hold" due to legal process, similar encumbrance, or as otherwise permitted in the Agreement.
- If the Transaction would exceed one of the established limits contained in the Agreement or communicated to you in writing as a case-by-case exception.
- If we did not receive a direct deposit instruction.
- If the Account is dormant.
- If your own components making up the Electronic Banking System were not functioning properly.
- If you did not provide us with correct names or Account information for those persons or entities to whom you wish to direct your payment.
- If the payee mishandled or delayed a payment sent by us.
- If we have received incomplete or inaccurate information from you or a third party involving the Account or Transaction.
- If we have a reasonable basis for believing that unauthorized use of your PIN/Password or Account has occurred or may occur.
- If we or you have terminated this Electronic Banking Agreement or closed the Account.

There may be other limitations for the particular Service at issue as stated in this Electronic Banking Agreement.

**6. Changes in Terms:** We reserve the right to amend the terms and conditions applicable to your use of any Service. Unless applicable law requires otherwise, all such amendments will be binding upon you immediately after we give you notice. Such notice may be given at our discretion by mail, by e-mail, or by revising the terms and conditions in this Electronic Banking Agreement and making it available in our deposit branches. We will also mail to you the most recent version of this Agreement upon your written request. Any notice that is mailed is considered received 48 hours after we place it in the mail, postage- paid, for delivery to your address as shown on our records. Any notice delivered electronically is considered received 24 hours after it is first made available through our online banking and bill pay service. If a specific notice period or type of notice is required by applicable law, the revised terms will be binding in accordance with such law.

**7. Use of E-Mail and Other Electronic Communications:** You agree that we may provide this Electronic Banking Agreement, amendments, periodic statements (*eStatements*), and other communications regarding Transactions electronically in a format that allows visual text to be displayed on your personal computer or other electronic equipment.

**8. Severability:** Any term contained in this brochure that is or becomes invalid or unenforceable under applicable law or regulation shall not affect the validity or enforcement of the remaining terms.

**9. Assignment:** We may assign or delegate any of our rights or obligations under this Agreement to independent contractors or other third-party organizations without affecting the enforceability hereof. Your rights and obligations may not be assigned or transferred without our written consent.

**10. Governing Law:** This Electronic Banking Agreement and the Services offered shall be governed by and construed in accordance with the internal laws of the State of Maryland (without regard to conflict of law principles) and federal law as applicable.

**11. Use of Eastern Standard Time:** In this Electronic Banking Agreement, all references to specific times are deemed to be Eastern Time (daylight or standard as applicable).

## II. ATM Card Use, ATM Services, and POS Services

The following sets forth the terms and conditions governing your use of Cards, ATM Services, and POS Services. You must have a valid ATM Card and PIN (when required) to transact business at ATMs and POS Terminals.

**1. Lost or Stolen ATM Cards:** To report a lost or stolen ATM card, call our Customer Service Center at 1-800-787-7372 between 9:00 a.m. and 4:00 p.m. ET on Business Days. Outside of these hours and on banking holidays, call 1-800-754-4128.

**2. Use of the Card and PIN Cancellation:** The use of the Card and PIN is restricted to the individual or business entity to which the Card has been issued. We are not responsible for any monetary loss if you have allowed someone else to use your Card or PIN, even if his/her use exceeded your instructions. Transactions at an ATM or POS Terminal by the use of the Card and your PIN (if required) shall be deemed to be Transactions made or authorized by you, except as otherwise provided by law. For consumer customers, see Section V (1), Your Liability for Unauthorized Transfers, for limitations on liability that may apply to you and the fact that your failure to notify us promptly of unauthorized use or the loss or theft of your Card, or knowledge of your PIN by someone other than yourself, could increase your liability for unauthorized use of the Card. Business customers should consult Section VI (1), Responsibility and Liability for Transactions. The Card is our property. We may, without liability or advance notice, revoke or limit all Cards issued under this Electronic Banking Agreement. Upon demand, you will surrender the Card promptly to us. You also agree not to keep your PIN with your Card or write your PIN on your Card, the Card carrier, or any paper you will carry with the Card. A Card with the PIN written on it will be confiscated and privileges may be revoked. You acknowledge that we have the right to cause an ATM to retain your Card at any time without notice to you. You shall have the right to cancel ATM or POS Services or use of your Card for

any and all Accounts at any time upon written notice to us of the cancellation. Your cancellation of your Card may act as a cancellation for any joint owners on your Account(s) who have been issued their own Cards. Any termination will not affect liability incurred by you prior to termination.

**3. Transaction Business Days:** Transactions made after 4:00 p.m. ET on a Business Day, or on Saturdays, Sundays, and banking holidays, will be posted the next Business Day. Deposited funds may not be available for immediate withdrawal. See the Deposit section of our DEPOSIT ACCOUNT AGREEMENT for further details.

**4. Types of Transactions:** You may use your Card and PIN at any of our ATMs to:

- Make deposits into your Account(s) (only at ATMs located at one of our deposit branches).
- Withdraw cash from your Account(s).
- Transfer funds between your Account(s).
- Determine the available balance in your Account(s), excluding outstanding items.
- Use any additional options available at the ATM you are using.

You may use your Card and PIN at any ATM not owned/operated by us, but which is part of a network that accepts the Card, to perform the following:

- Withdraw cash from your Primary Account(s).
- Transfer funds between your Primary Account(s).
- Determine the available balance in your Primary Account(s), excluding outstanding items.

**NOTE:** If you are planning on traveling outside the United States, you must notify us of your travel plans or your Transactions will be declined.

**5. Purchases at POS Terminals:** Purchase of goods and services can be made with your Card and PIN at any POS Terminal that is part of a network that accepts the Card. Payment for these purchases will be withdrawn from your Primary Account. As part of the purchase, you may be able to get cash back depending on the policies of the merchant of the goods or services.

### **6. Limitations on Dollar Amount of Transactions with Your Card:**

The combined limit on cash withdrawals at ATMs per processing cycle (typically a 24-hour period) and for POS Terminal purchases with a Card when a PIN is required, including cash back at POS Terminals (if available), is \$505 per processing cycle. No withdrawals shall, in any event, exceed the available balance of the Account (plus any overdraft credit line) from which the Transactions are made. Other limitations are contained in Section I (4).

**7. Fees:** You agree to pay any service charge applicable to your use of your Card. Charges are subject to change at any time. A current list of charges can be found in our BANKING SERVICES AND FEES schedule or other agreements for particular types of Transaction services. You also agree to pay the usual service charges imposed on your Account, including any fees for failing to maintain the specified minimum balance. Depending on the type of Account, you may be charged for each withdrawal, transfer, and balance inquiry at any ATM not bearing our name and at any POS Terminal. You may also be charged an access fee (sometimes called a “surcharge”) for the convenience of using ATMs that do not bear our name. These fees are charged by the third party that owns and operates the ATM and are beyond our control. These fees are in addition to any fee we charge to perform withdrawals at ATMs that are not owned or operated by us. For a current list of our ATM locations, refer to the GUIDE TO BRANCH HOURS AND LOCATIONS brochure. If you do not have sufficient available funds in your Account on the date the fee or charge is due, you authorize us to charge the amount to any other Account you have with us.

**8. No Stop Payment Rights, Receipts, Statements:** You do not have the right to stop payment on any Transactions originated by use of your Card. You will have the ability to receive a printed record after each successful ATM Transaction. When you use your Card to perform Transactions at POS Terminals, your copy of the sales slip will be your receipt. You agree that we do not need to return record of a sales draft or cash withdrawal slip originated by the use of your Card with the periodic statements we send you. Transactions will be reflected on your periodic statements.

**9. ATM and Night Depository Security:** Here are some important security tips to remember pertaining to your Card and PIN and when conducting ATM or night depository Transactions:

- Treat your Card like cash. You should keep your Card secure and in a safe place so it cannot be lost or stolen.
- Memorize your PIN. Never write it on your Card or store it with your Card.
- Check your Card receipts against your monthly statement to guard against fraud.

Report lost or stolen Cards at once. Even though your Card cannot be used without your PIN at an ATM, it is important to contact us as soon as you discover your Card is missing. If you do so, you will be issued a new Card.

When using ATMs or night depositories you should:

- Be aware of your surroundings, particularly when it's dark.
- Be accompanied by another person when it's dark.
- Refrain from displaying cash. Place cash in a pocket as soon as the Transaction is completed, and count cash in the safety of a locked enclosure such as a car or home.
- Use another location or return at a later time if anything suspicious is noticed.
- Cancel a Transaction, place the Access Device in a pocket, and leave if anything suspicious is noticed.
- Immediately report all crimes to us or the operator of the location and to local law enforcement officials.

### III. Direct Deposit and Direct Debit Service

We support recurring deposits directly into any of your Accounts. This is a pre-authorized credit for items such as social security or payroll automatically deposited into your Account. We further support recurring withdrawals (direct debits or regular payments) directly from your Account that you authorize for automatic payment of loans, services, insurance premiums, etc. See Section I (4) for limitations on direct debits from savings Accounts. To help prevent unauthorized Transactions on your Account, you should be careful about giving anyone your Account number. You must notify us immediately of unauthorized activity.

**1. Electronic Check Conversion (ECK):** ECK means that your check is used as a source of information and then it is used to make a one-time electronic payment from your checking Account. The check itself is not the method of payment. You may authorize a merchant or other payee to make a one-time electronic payment from your checking Account using information from your check to pay for purchases and pay bills. If you do not want your check to be used for Electronic Check Conversion, you may have to provide another form of payment (for example, cash, debit card, or credit card).

**2. Electronic Payments:** We may allow electronic Transactions to post to your Account. These Transactions include payments initiated over the Internet or telephone. Telephone Transactions are for a single payment and Internet Transactions may be single or recurring payments. Transactions may be stopped prior to the posting of the item. Single payments may not be revoked.

**3. Fees:** There are no service fees imposed for such Services at this time; however, we reserve the right to impose a fee in the future and will notify you if we do so.

**4. Confirmation of Deposits:** If you have arranged to have direct deposits made to your Account at least once every 60 days from the same person, company, or government agency, you may or may not receive proof of deposit from the person, company, or agency making the deposit. If such person, company, or agency normally gives you notice of deposits, you will not receive any other notice from us. If the person, company, or agency does not give such notice, you can call us at any of our deposit branch locations or our Customer Service Center at 1-800-787-7372 during business hours (see our GUIDE TO BRANCH HOURS AND LOCATIONS) or check your periodic statement to determine if the deposit was made. You may also use our 24-hour telephone banking system "EMMA," at 410-568-6307 to access the information.

**5. Processing Delays:** Transactions designated as international may not be posted to an account if the transaction is suspected of being in violation of U.S. laws until an investigation to clear the item has been conducted.

**6. Notice of Varying Amounts:** If regular direct debits may vary in amount, the person or entity you are going to pay will inform you of the date and amount ten days before each payment. (You may choose instead to receive the notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.)

**7. Right to Stop Payment and Procedure for Doing So:** If you are a consumer customer and have regular payments made to others out of your Account, you can stop any or all of these payments. Call us at any of our deposit branch locations or our Customer Service Center at 1-800-787-7372 during business hours (see our GUIDE TO BRANCH HOURS AND LOCATIONS) or write to us at Eastern Savings Bank, fsb, Attention: Deposit Operations, Executive Plaza 2, 11350 McCormick Road, Suite 200, Hunt Valley, Maryland, 21031. We need to receive your request three Business Days or more before the payment is scheduled to be made. Please specify if you are placing a one-time stop on a specific single payment or you are revoking all future payments to that payee. If you call, we may also require you to put your request in writing. We must receive your written request within 14 days after you call. The charge for stopping payment or revoking a direct debit is listed in the BANKING SERVICES AND FEES schedule.

If you are a business customer, you generally must contact the person to whom you make the payments in order to stop those payments. If we attempt to stop payment for you, you understand that we may not be successful or that the ACH rules governing such payments may not permit us to stop payment. You agree to hold us harmless if we are unsuccessful in stopping a payment and to indemnify us from liability if we are successful in stopping a payment.

**8. Liability for Failure to Stop Payment of a Direct Debit:** If you are a consumer customer and order us to stop a direct debit from your Account three Business Days or more before the Transaction is scheduled, and we do not do so, we will be liable for your losses or damages as provided under law. If you are a business customer, refer to Section III (6).

### IV. Online Banking & Bill Pay Service and 24-Hour Telephone Banking System

This section contains terms, conditions, and disclosures that are applicable to our Internet-enabled devices and telephone-based Services. These Services give you access to your Account(s) 24-hours a day, 7 days a week. The PIN/Password for the specific Service must be used to obtain access to your Account(s).

#### I. Available Services— Online Banking & Bill Pay Service and 24-Hour Telephone Banking:

By applying for EasternEase Online, our online banking and bill pay

service, you may access your Account(s) through an Internet-enabled device and do the following:

- Obtain Account balances.
- Pay bills from your Bill Payment Account(s).
- Transfer funds between Accounts.
- Obtain statement information.
- Review recent Transaction information including check images.
- Transfer funds between your Bill Payment Account and accounts you have with other financial institutions that you have designated as a payee.
- Import and export Account information into compatible financial management software.
- Request information and apply for our other products/services.
- Send electronic mail to the Bank.
- If you need assistance, you may call 1-855-518-0506.

By using EMMA, our 24-hour telephone banking system, you may access your Account(s) through any touch-tone telephone at 410-568-6307 to:

- Obtain Account balances.
- Obtain Transaction history.
- Transfer funds between Accounts.
- Make payments to your Overdraft Protection Line of Credit.
- Obtain deposit interest rates.
- Place a stop payment on a check.
- Place a check reorder.
- Request a photocopy of a check.
- Report a lost or stolen ATMCARD.
- Request a copy of a statement or tax form.
- Update the status of your inactive Account.
- Obtain current mortgage information.
- Obtain new loan information (during regular business hours only).

**2. Limitations on the Dollar Amount of Transactions:** For EMMA, our 24-hour telephone banking system, Transactions and online banking and bill pay service Transactions, you may transfer the available balance from an Account to another Account or pay bills up to the available balance in your Bill Payment Account up to the daily transaction limit of \$25,000.

**3. Posting of Telephone Transactions:** Transactions generally initiated between the open and close of a Business Day will post immediately to the Account. Transactions will be confirmed with a confirmation number only if you have sufficient and available funds in your Account. Transactions initiated outside of business hours will post on the next Business Day.

**4. Posting of Online Banking and Bill Pay Service Transactions:** You may initiate available Transactions as “Today” Transactions, “Future” Transactions, or “Recurring” Transactions. You have up until 3:59 p.m. ET on a Business Day to initiate a Today Transaction. Today Transactions initiated at 4:00 p.m. ET or after on a Business Day or at any time on a non-Business Day will be processed on the next Business Day. The Service will confirm a Today Transaction only if you have sufficient and available funds in your Bill Payment Account to cover it. Today Transactions can be canceled up until 3:59 p.m. ET. Future Transactions may be initiated up to 364 days in advance. These Transactions will take place on the “effective date” you enter or the next Business Day thereafter if the effective date falls on a non-Business Day. Sufficient funds to cover Future Transactions must be available and will be deducted from your Bill Payment Account. Future Transactions may be canceled or modified until approximately 3:59 p.m. ET of the scheduled Business Day. Transactions designated as Recurring will be made in the same amount to the same Account or payee in the frequency

you request (that is, weekly, bi-weekly, monthly, etc.). You will designate the date to start the Recurring Transactions and the date of the last Recurring Transaction. The Transaction will be processed on the effective date you enter or the next Business Day thereafter if the effective date falls on a non-Business Day. Sufficient funds to cover Recurring Transactions must be available and will be deducted from your Bill Payment Account. Recurring Transactions may be canceled or modified until approximately 3:59 p.m. ET of the scheduled Business Day. Please also refer to Section III (7) for stopping Future or Recurring Transactions processed via direct debit. Upon completion of a Transaction, a confirmation number will be given. You should record this number along with the payee, effective date, and payment amount in your checkbook register or other record.

All Transactions on a Business Day will be posted to your Account on the next Business Day. Payments and Transfers scheduled on weekends or holidays will be considered made on the next Business Day. Actual posting to your Account may be delayed by up to two Business Days depending on when you initiate your Transaction. In all cases, sufficient funds must be available at the start of the Business Day the Transaction is scheduled to be initiated and remain available until the date that the funds are actually deducted from the Account at issue. If funds are withdrawn or your balance is otherwise decreased prior to the time that the funds are actually deducted from the Account for the Transaction, the Transaction will not process, but you will be assessed a fee for non-sufficient funds. Refer to our BANKING SERVICES AND FEES schedule for current fees for non-sufficient funds.

**5. Bill Payment:** All payments you make will be deducted from the Bill Payment Account. You may select up to 250 payees within the continental United States to pay through the Service. You cannot use the online banking and bill pay service to pay a federal, state, or local government agency or tax unit or other payees we designate from time to time. You must allow sufficient time for the payee to receive the payment before the applicable payment due date, excluding grace periods. If you do not allow sufficient time for a payment, you assume full responsibility for all late fees, finance charges, and any other actions against you initiated by a payee. You will be advised at the time you initiate the payment what period of time is required under normal circumstances for a payee to receive a payment (typically two to five Business Days). The Bank and its agents are responsible only for exercising ordinary care in making payments upon your authorization and for mailing or sending payment to the designated payee based on the circumstances outlined above.

Section I (5) lists circumstances under which the Bank will not be liable for losses for damages when Transactions, including bill payments, do not occur. In addition to those circumstances, the Bank is not liable for damages you incur in using the online banking and bill pay service:

- If the estimated time for delivery of payment to the payee is inaccurate.
- If there are delays in mail delivery.
- If the payee’s address or Account number changes.
- If the payee fails to apply the payment in a timely manner.

If you do not have sufficient and available funds in your Account to cover a scheduled payment, the payment will fail, and an online banking message will be sent.

**6. Posting of Online Banking Transfers:** All internal Transfers will be “provisionally credited” (made available for withdrawal pending system posting) to your Account upon completion of your session. “Future” and “Recurring” Transfers will be provisionally credited to your Account by the opening of business on the “effective date” or the next Business Day if the effective date is a non-Business Day.

**7. Equipment and Technical Requirements:** To perform Transactions, you must have a telephone or Internet-enabled device to utilize these Services. It is your responsibility to acquire the equipment, hardware, or software necessary to access the Services.

**8. Limitation of Liability:** We provide the Services and related documentation “as is” without any warranty of any kind, either expressed or implied, including, but not limited to, the implied warranties of

merchantability and fitness for a particular purpose. We are not responsible for any errors or failures caused by the malfunction of the Internet-enabled device or telephone. We also are not responsible or liable for any computer virus caused by use of an online system.

**9. Fees:** You may be charged for the various Services provided in connection with your Account(s). These fees are disclosed in the BANKING SERVICES AND FEES brochure, which is available in any of our deposit branches. These fees will automatically be deducted from your Account. If you do not have sufficient available funds in your Account on the date a fee or charge is due, you authorize us to charge the amount to any other Account you have with us.

**10. New Services:** We may have occasion to incorporate new options into these Services. By using such new options, you agree to be bound by the rules concerning those options, which will be mailed to you or disclosed through the Service, as appropriate.

**11. Termination of Service:** You may terminate your use of these Services by giving us five Business Days' advance notice. Your termination of one or more of these Services will act as a termination for any joint owners on your Account(s). We may terminate your use of these Services, in whole or in part, at any time without prior notice. We shall have no duty to provide any of these Services after termination, including, but not limited to, any Future or Recurring Transactions you previously scheduled.

## V. Additional Terms and Conditions for Consumer Customers

This section contains additional terms, agreements, and disclosures for Accounts within the scope of the federal Electronic Fund Transfer Act and Federal Reserve Board Regulation E (accounts owned by natural persons primarily for personal, family, or household purposes).

**1. Your Liability for Unauthorized Transfers:** Tell us AT ONCE if you believe your Card/code has been lost or stolen, your PIN/Password has been discovered by someone else, someone has conducted or may conduct a Transaction without your permission, or if you believe that an electronic fund transfer has been made without your permission by someone using information from your check. Contact us immediately as described in Section I (2), Errors or Questions About Your Electronic Transaction(s). You could lose all the money in your Account (plus your maximum overdraft line of credit). If you tell us within two Business Days, you can lose no more than \$50 if someone used your Card/PIN/Password without your permission. If you do NOT tell us within two Business Days after you learn of the loss or theft of your Card/PIN/Password, and we can prove we could have stopped someone from using your Card/PIN/Password without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows Transactions that you did not make, including those made by Card, code, or other means, tell us AT ONCE. If you do not tell us within 60 days after the statement was mailed to you or electronically delivered (*eStatements*) you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If good reasons (such as long trips or a hospital stay) kept you from telling us, we will extend the time periods to a reasonable limit. Notice of lost Cards/PINs/Passwords or unauthorized Transactions is considered given to us either in person, by telephone, or in writing. If you notify us in writing, notice is considered given at the time you place the notice in the mail or when you deliver the notice for transmission by any other means.

**2. Errors or Questions About Your Electronic Transaction(s):** In case of errors or questions about your Transaction(s); if you think your statement or receipt is wrong; or if you need more information about a Transaction listed on the statement or receipt, call or write us as indicated in Section I (2) as soon as you can. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. You will need to provide the following:

- a. Tell us your name and Account number (if any).
- b. Describe the error or the Transaction you are unsure about, and

explain as clearly as you can why you believe it is an error or why you need more information.

- c. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within 10 Business Days. We will tell you the results of our investigation within 10 Business Days (20 Business Days involving a "new" Account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days for Transactions involving a new Account or any foreign-initiated Transactions or any Transaction conducted at a POS Terminal) to investigate your complaint or question. If we decide to do this, we will provisionally recredit your Account within 10 Business Days (20 Business Days for Transactions involving a new Account) for the amount you think is in error, so that you have 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 by the time we would otherwise recredit your Account as provided in the prior sentence, we may not recredit your Account. An Account is considered a "new" Account for 30 days after the first deposit is made, if you are a new customer. We will tell you the results within three Business Days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask us for copies of the documents that we used in our investigation.

**3. Liability for Incomplete Transactions:** If we do not complete a Transaction to or from your Account on time or in the correct amount according to the Electronic Banking Agreement, we will be liable for your losses or damages. However, there are exceptions as indicated in Section I (5).

## VI. Additional Terms and Conditions for Business Customers

This Section contains additional terms, agreements, and disclosures for Accounts outside of the scope of the federal Electronic Fund Transfer Act and Federal Reserve Board Regulation E (for example, commercial or business Accounts that are established primarily for purposes other than personal, family, or household use or any Account held by entities, not natural persons). Some Services may not be available for these type of Accounts.

**1. Responsibility and Liability for Transactions:** You are solely responsible for the security of your PIN/Password and all uses of your Card. All Transactions made with your PIN/Password and/or Card are conclusively presumed to have been authorized by you. We shall have no liability to you for any unauthorized Transaction made using your PIN/Password and/or Card that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice.

Notwithstanding any other provision in this Electronic Banking Agreement, we have no liability for failing to complete a Transaction to or from your Account in time or in the correct amount under any circumstances listed in Section I (5). In other cases, if we fail or delay in making a Transaction pursuant to your instructions, or if we make a Transaction in an amount that is less than the amount in your instructions, then (unless otherwise required by law) our liability shall be limited to interest on the amount that we fail to timely pay or transfer, calculated from the date on which the Transaction was to be made until the date it was actually made or you notify us of the problem, whichever occurs first, but in no event to exceed 30 days' interest. We may pay such interest either to you or the intended recipient of the Transaction, but in no event shall we be liable to both parties, and our payment to either party shall fully discharge any obligation to the other. If we make a Transaction in an amount that exceeds the amount in your instructions, or if we permit an unauthorized Transaction after we have had a reasonable time to act on notice from you of possible unauthorized use, then (unless otherwise required by law) our liability shall be limited to a refund of the amount erroneously paid or transferred, plus interest on that amount from the date of the Transaction to the date of the refund, but in no event to exceed 30 days' interest. If we become liable to you for interest under this Electronic Banking Agreement or applicable law, such interest shall be calculated based on the lowest interest rate we are then paying on our deposit Accounts. In no event shall we be liable for interest compensation unless we are notified of a discrepancy within 30 days from

the date of the first periodic statement reflecting the discrepancy. Unless otherwise required by law, in no event will we be liable to you for special, indirect, or consequential damages, including, without limitation, lost profits or attorneys' fees, even if we are advised in advance of the possibility of such damages. You agree to reimburse us and indemnify us for any loss or expense we incur and for any claim made against us in providing these Services to you, including any reasonable legal fees we have in this regard.

**2. Financial Information:** You agree from time to time, upon our request, to provide us with current financial information about yourself. We may terminate your Services if you fail to provide such information or if you no longer qualify for Services based on our review of the information you supply.

**3. Authentication:** We reserve the right, in our sole discretion, to authenticate any request for a Service prior to effecting the same. We are entitled to rely on any communication, instrument, document, telephonic, or computer instruction believed by us in good faith to be genuine and correct and to have been given, signed, or sent by anyone on your behalf. We shall not be liable to you for the consequences of such reliance. You agree that these procedures are commercially reasonable, are designed to authenticate the use of the Services, are not designated for your protection, and are not used to detect errors in the transmission or content of any instruction.

**4. Provisional Credit:** Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your Account in connection with such entry, and the party (the originator of the entry) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

**5. Transaction Notification:** You agree that we will not notify you of any Transaction except in any periodic statements we provide to you. If periodic statements are not provided, you agree that we are not obligated to provide you with notice of Transactions. On receipt of any periodic statement, you agree to review it and promptly report to us (and in no event later than 30 days after the date that you received the statement), any discrepancies, errors, or unauthorized Transactions.

## VII. Arbitration

PLEASE READ THIS PROVISION OF THE AGREEMENT CAREFULLY. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY CONTROVERSY OR DISPUTE BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION A DISPUTE IS RESOLVED BY A NEUTRAL ARBITRATOR INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT.

**Agreement to Arbitrate:** You agree that either you or we may, without the other's consent, require that any controversy or dispute between you and us (all of which are called "Claims") be submitted to mandatory, binding arbitration. This arbitration provision is made pursuant to a Transaction involving interstate commerce and shall be governed by and enforceable under the Federal Arbitration Act (the "FAA"), 9 U.S.C. 1 et seq., as may be amended from time to time, and to the extent Maryland law is applicable, the Maryland law governing the Agreement.

**Claims Covered:** Claims subject to arbitration include, but are not limited to, disputes relating to the establishment, terms, treatment, operation, handling, limitations on or termination of your Account; any disclosures or other documents or communications relating to your Account; any Transactions or attempted Transactions involving your Account, whether authorized or not; billing, billing errors, credit reporting, posting of Transactions, payments, credits, or collection matters relating to your Account; services or benefits programs relating to your

Account, whether or not they are offered, introduced, sold, or provided by us; advertisements, promotions, or verbal or written statements related to (or preceding the opening of) your Account; goods or services financed under your Account, or the terms of financing; the application, enforceability, or interpretation of this Agreement, including this arbitration provision, and any other matters relating to your Account, a prior related Account, or the resulting relationships between you and us. Any questions about what Claims are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

Claims subject to arbitration include:

- a. Not only Claims made directly by you, but also Claims made by anyone connected with you or claiming through you such as a co-applicant or authorized user of your Account, your agent, representative, heirs, or a trustee in bankruptcy.
- b. Not only Claims that relate directly to us, a parent company, subsidiary company, affiliated company, and any predecessors and successors (and the employees, officers, and directors of all of these entities), but also Claims for which we may be directly or indirectly liable, even if we are not properly named at the time the Claim is made.
- c. Claims based on any theory of law, any contract statute, regulation, ordinance, tort (including fraud or any intentional tort), common law, constitutional provision, respondent superior, agency, other doctrine concerning liability, for other persons, customer, course of dealing, or any other legal or equitable ground (including any claim for injunctive or declaratory relief).
- d. Claims based on any allegations of fact, including an alleged act, inaction, omission, suppression, representation, statement, obligation, duty, right, condition, status, or relationship.
- e. Claims that arose in the past, arise in the present, or arise in the future. Claims are subject to arbitration whether they are made independently or with other claims in proceedings involving you, us, or others.
- f. Claims that are made as counterclaims, cross-claims, third-party claims, interpleaders, or otherwise. A party who initiates a proceeding in court may elect arbitration with respect to any Claim(s) advanced in the lawsuit by any other party or parties.
- g. Claims made as part of a class action or other representative action, and the arbitration of such Claims must proceed on an individual (non-class, non-representative) basis.
  - If you or we require arbitration of a particular Claim, neither you, we, nor any other person may pursue the Claim in any litigation, whether as a class action, private attorney general action, other representative action, or otherwise.
  - Claims are not subject to arbitration if they are filed by you or us in a small claims court, so long as the matter remains in such court and advances only as an individual (non-class, non-representative) claim.

**Initiation of Arbitration:** The party filing an arbitration must choose one of the following two arbitration administrators: (1) JAMS or (2) American Arbitration Association. These administrators are independent from us, and you and we must follow their rules and procedures for initiating and pursuing an arbitration. If you initiate the arbitration, you must also notify us in writing at:

General Counsel  
Eastern Savings Bank, fsb  
Executive Plaza 2  
11350 McCormick Road, Suite 200  
Hunt Valley, Maryland 21031

If we initiate the arbitration, we will notify you in writing at your last known address. Any arbitration hearing that you attend will be held at a place chosen by the arbitrator or arbitration administrator in the same city as the District Court closest to your then current address or at some other place to which you and we agree in writing. You may obtain copies of the current rules of each of

the two arbitration administrators named above, and other related materials, including forms and instructions for initiating an arbitration, by contacting the arbitration administrators as follows:

JAMS  
1920 Main Street at Gillette Ave., Suite 300  
Irvine, CA 92614  
Web site: [www.jamsadr.com](http://www.jamsadr.com)

American Arbitration Association  
335 Madison Avenue, Floor 10  
New York, NY 10017-4605  
Web site: [www.adr.org](http://www.adr.org)

**Procedures and Law Applicable in Arbitration:** A single, neutral arbitrator will resolve Claims. The arbitrator will either be a lawyer with at least ten years' experience or a retired or former judge. The arbitrator will be selected in accordance with the rules of the arbitration administrator. The arbitration will be conducted under the applicable procedures and rules of the arbitration administrator that are in effect on the date the arbitration is filed unless this arbitration provision is inconsistent with those procedures and rules, in which case this Agreement will prevail. These procedures and rules may limit the amount of discovery available to you or us. The arbitrator will apply applicable substantive law consistent with the FAA and applicable statutes of limitations and will honor claims of privilege recognized at law. You may choose to have a hearing and be represented by counsel. The arbitrator will take reasonable steps to protect customer Account information and other confidential information, including the use of protective orders to prohibit disclosure outside the arbitration, if requested to do so by you or us. The arbitrator will have the power to award to a party any damages or other relief provided for under applicable law and will not have the power to award relief to, against, or for the benefit of, any person who is not a party to the proceeding. The arbitrator will make any award in writing but need not provide a statement of reasons unless requested by the party. Upon a request by you or us, the arbitrator will provide a brief statement of the reasons for the award.

**Costs:** If we file the arbitration, we will pay the initial filing fee. If you file the arbitration, you will pay the initial filing fee unless you seek and qualify for a fee waiver under the applicable rules of the arbitration administrator. We will reimburse you for the initial filing fee if you paid it and you prevail. If there is a hearing, we will pay any fees of the arbitrator and arbitration administrator for the first day of that hearing. All other fees will be allocated in keeping with the rules of the arbitration administrator and applicable law. However, we will advance or reimburse filing fees and other fees if the arbitration administrator or arbitrator determines there is good reason for requiring us to do so, or you ask us and we determine there is good cause for doing so. Each party will bear the expense of that party's attorneys, experts, witnesses, and other expenses, regardless of which party prevails, except that the arbitrator shall apply any applicable law in determining whether a party should recover any or all expenses from another party.

**No Consolidation or Joinder of Parties:** All parties to the arbitration must be individually named. Claims by persons other than individually named parties shall not be raised or determined. Notwithstanding anything else that may be in this arbitration provision or Agreement, no class action, private attorney general action, or other representative action may be pursued in arbitration, nor may such action be pursued in court if any party has elected arbitration. Unless consented to by all parties to the

arbitration, Claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are applicants, co-applicants, or authorized users on a single Account and/or related Accounts or parties to a single Transaction or related Transactions). This is so whether or not the Claims (or any interest in the Claims) may have been assigned.

**Enforcement, Finality, Appeals:** You or we may bring an action, including a summary or expedited motion, to compel arbitration of Claims subject to arbitration, or to stay the litigation of any Claims pending arbitration, in any court having jurisdiction. Such action may be brought at any time, even if any such Claims are part of a lawsuit, unless trial is scheduled to commence within 60 days except when new claims subject to arbitration are added to the lawsuit within such 60-day period, or a final judgment has been entered. Failure or forbearance to enforce this arbitration provision at any particular time, or in connection with any particular Claims, will not constitute a waiver of any rights to require arbitration at a later time or in connection with any other Claims. Any additional or different agreement between you and us regarding arbitration must be in writing.

**Severability, Survival:** This arbitration provision shall survive:

- a. Termination or changes in the Agreement, the Account, and the relationship between you and us concerning the Account.
- b. The bankruptcy of any party.
- c. Any transfer or assignment of your Account, or any amounts owed on your Account, to any other person. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force.

Note: You may obtain a large-print version of this Agreement by calling our Customer Service Center at 1-800-787-7ESB or your local deposit branch.