



The Commercial Bank – Honea Path  
4 Church St., Honea Path, SC 29654

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## **The Commercial Bank Online Access Agreement and Electronic Funds Transfer Disclosure**

**(1) Agreement** - This Agreement, which includes the Fee Schedule and Enrollment Form, is a contract that establishes the rules that cover your electronic access to your accounts at The Commercial Bank ("BANK") through The Commercial Bank Online ("SYSTEM"). By using SYSTEM, you accept all the terms and conditions of this Agreement. Please read carefully. The terms and conditions of the deposit agreements and disclosures for each of your BANK accounts as well as your other agreements with BANK such as loans continue to apply notwithstanding anything to the contrary in this Agreement. This Agreement is also subject to applicable federal laws and the laws of the State of South Carolina (except to the extent this Agreement can and does vary such rules or laws). If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or Implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement This Agreement's binding upon your heirs and BANK's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination; cancellation or expiration of this Agreement. This Agreement, together with the Enrollment Form and Fee Schedule, constitutes the entire agreement between you and BANK with respect to the subject matter hereof and there are no understandings or agreements relative hereto which are not fully expressed herein.

**(2) Definitions** - As used in this Agreement, the words 'we', 'our', 'us' and 'BANK' mean The Commercial Bank. 'You' and 'your' refer to the account holder authorized by BANK to use SYSTEM under this Agreement and anyone else authorized by that account holder to exercise control over the account holder's funds through SYSTEM. 'Account' or 'Accounts' means your accounts at BANK. 'Electronic funds transfers' means ATM withdrawals, preauthorized transactions, point of sale transactions, transfers to and from your BANK accounts using SYSTEM including bill payments. 'SYSTEM Services' means the services provided pursuant to this Agreement, including the Bill Payment Service. 'Business days' means Monday through Friday. Holidays are not included.

**(3) Internet Security Information** - Our Internet Banking service-utilizes a comprehensive security strategy to protect accounts and transactions conducted over the Internet. In-depth information on many of the techniques and features employed by the system can be viewed or printed from our web site where the system's consumer or commercial features are explained. In addition to our login security, we use SSL. (secure socket layer) encryption technology for everything done in the system. Your browser automatically activates this technology when it attempts to connect to our system and it will support only the highest encryption technology available to ensure your protection. Whenever SSL is securing your communications, the browser will typically indicate the 'secure session' by changing the appearance of a small padlock icon at the bottom of the screen from *open* to *locked*. What this means to you is that your communications are scrambled from your browser to our servers at all times, so no unauthorized

party can read the information as it is carried over the Internet. Additionally, our servers have been certified by a "Certificate Authority" to assure you that you are actually talking to our servers Instead of someone pretending to be us. During your use of the Internet Banking system, we will pass a "cookie" to your browser to identify you. We do not (and cannot) use our cookies to obtain new information about you. A 'cookie' is security data given to a browser by a web server and returned by the browser on subsequent transmissions to identify the user and encryption information. When you log onto the system, this cookie enables us to process multiple' transactions during the session without you having to provide your login ID and password for each individual transaction. After a predetermined amount of time set by our security system or when you log off, the session cookie is no longer accepted and a new cookie must be created by entering your LoginID and password Information. A new cookie is used for each session; so that no one can use the cookie to access your account.

**(4) Access** - To use SYSTEM, you must have at least one checking account at BANK, access to Internet service, and an e-mail address. Once we have received your signed Enrollment Form, and verified your account information, we will send you your login instructions. SYSTEM can be used to access only the BANK accounts that you have designated for access by SYSTEM In your Enrollment Form. You can add or delete any of your BANK accounts from this Agreement by contacting customer service at (864)369-7326. Access to your accounts-through SYSTEM will be based upon the identification of users and authority levels specified by you in your Enrollment Form. We undertake no obligation to monitor transactions through SYSTEM to determine that they are made on behalf of the account holder.

**(5) SYSTEM Services** - You can use SYSTEM to check the balance of your BANK accounts, view BANK account histories, transfer funds between your BANK accounts, make stop payment requests, view checks, change your address, and pay bills from your BANK accounts in the amounts and on the dates you request. Balance and activity information are available as of 10:00 *p.m.* (Eastern Standard Time) for the current business days activity unless a system error occurs and the previous day's history will be available.

**(6) Hours of Access** - You can use SYSTEM seven days a week, twenty-four hours a day, although some or all SYSTEM services may not be available occasionally due to emergency or scheduled system maintenance. We agree to post notice of any extended periods of non-availability on the SYSTEM website.

**(7) Your Password** - For security purposes, you are required to change your password upon your initial login to SYSTEM. You determine what password you will use and the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. Upon five unsuccessful attempts to use your password, your access to SYSTEM will be revoked. To re-establish your authorization to use SYSTEM, you must contact us to have your password reset or to obtain a new temporary password or you may wait 24-hours for your account to be automatically reactivated. We recommend that you create a password that utilizes both upper and lower case alpha and numeric characters for purposes of security. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children, and should be memorized rather than written down.

**(8) Security** - You understand the importance of your role in preventing misuse of your accounts through SYSTEM and you agree to promptly examine your statement for each of your BANK accounts as soon as you receive it. You agree to protect the confidentiality of your account and account number, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself, or together with information related to your account, may allow unauthorized access to your account. Your password and login ID are intended to provide security against unauthorized entry and access to your

accounts, Data transferred via SYSTEM is encrypted in an effort to provide transmission security and SYSTEM utilizes identification technology to verify that the sender and receiver of SYSTEM transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the SYSTEM is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing BANK SYSTEM, or e-mail transmitted to and from us, will not be monitored or read by others.

**(9) Fees and Charges** - You agree to pay any additional reasonable charges for services you request that are not covered by this Agreement. You are also responsible for telephone and internet service fees you incur in connection with your use of our SYSTEM. There are no Bank fees for Retail Online Access or Bill Pay Service.

**(10) Posting of Transfers** - Transfers initiated through SYSTEM before 4:00 p.m. (Eastern Standard Time) on a business day are posted to your account the same day. Transfers initialed after 4:00 p.m. (Eastern Standard Time) on a business day, Saturday, Sunday or banking holiday, will be posted on the next business day. SYSTEM identifies transfers based upon the LoginID of the user who made the electronic transfer. Accordingly, you understand and acknowledge that the View Postings screen in the Transfer menu option of SYSTEM and the Payment History screen in the Bill Payment menu option of SYSTEM will not reflect transfers made by multiple users from the same account if different LoginID's are used. You agree to communicate with any other persons with authorized access to your accounts concerning any transfers or bill payments from your accounts in order to avoid overdrafts.

**(11) Overdrafts (Order of Payments, Transfers, and other Withdrawals)** - If your account has insufficient funds to perform all electronic fund transfers you have requested for a given business day, then; (a.) Electronic funds transfers involving currency disbursements, like ATM/POS Debits withdrawals, will have priority; (b.) Electronic fund transfers initialed through SYSTEM that would result in an overdraft of your account may, at our discretion, be canceled and (c.) In the event the electronic fund transfers initiated through SYSTEM that would result in an overdraft of your account are not canceled, overdraft charges may be assessed pursuant to the terms of the deposit agreement for that account.

**(12) Limits on Amounts and Frequency of SYSTEM Transactions** - The number of transfers from BANK accounts and the amounts that may be transferred are limited pursuant to the terms of the applicable deposit agreement and disclosure for those accounts. If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires.

**(13) SYSTEM Bill Payment Service** - You must designate the BANK account from which the payments are to be made; the complete name of the payee, the account number, and the payee's remittance address, all exactly as shown on the billing statement or invoice; the amount of the payment; and the date you want the payment to be debited from your account. If the date you want the payment to be debited from your account is not a business day, your account will be debited the next business day before 4:00 p.m. (Eastern Standard Time). By using the SYSTEM Bill Payment Service option, you agree that based upon instructions received under your password, we can charge your designated account by electronic transfer, "no signature required draft"; or by debiting and remitting funds on your behalf. We reserve the right to refuse to pay any payee designated by you. If we do so, we will notify you promptly.

**(14) Scheduling SYSTEM Payments** - While it is anticipated that most transactions will begin processing at least four (4) Business Days before your selected Scheduled Payment Date, it is understood that due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by slow responding Payees or financial institutions, some transactions may take a day or even a few days longer to be credited by your Payee to your Payee account. For this reason, each Scheduled Payment Date selected by you must be entered no less than

five (5) Business Days before the actual due date, not the late date and/or a date in the grace period. Payment Instructions entered after the Cutoff Time or on non-Business Days will be considered entered in the Service on the next Business Day. If you properly follow the procedures described herein, and the Service fails to send a payment according to the Payment Instructions received, the Service will bear responsibility for late charges (\$50.00 maximum). In any other event, including, but not limited to, choosing a Scheduled Payment Date less than five (5) Business Days before the actual due date, the risk of incurring and the responsibility for paying any and all late charges or penalties shall be borne by you. A bill payment is "In Process" 'starting at the Cutoff Time on the fourth (4th Business Day prior to the Scheduled Payment Date and continuing up to the Scheduled Payment Date. A bill payment is a 'Pending Payment starting from the time you enter Payment Instructions until the payment is "In Process", A bill payment is considered to be 'Completed' on the Business Day you selected as the Scheduled Payment Date.

**(15) How to Cancel a Bill Payment** - You may cancel or edit any Pending Payment (including recurring payments) by following the instructions within the application. There is no charge for canceling or editing a Pending Payment. We may not have a reasonable opportunity to act on any stop payment or cancellation order given after a payment is in Process and it is not possible to stop or cancel a payment which Is Completed.

**(16) Stop-Payment Requests** - If you desire to cancel or stop any payment that is In Process you must call the Deposit Operations Department of the bank at (864) 369-7326. Although we will make every effort to accommodate your request we will have no liability for failing to do so. Stop payment requests sent to us via electronic mail or in any other manner will not reach us in time for us to act on your request. Stop payment requests will be accepted only if we have a reasonable opportunity to act on such requests. If you call, we may also require you to present your request in writing within fourteen (14) days after you call. The charge for each stop payment order will be the current charge for such service as set out in the applicable fee schedule. You may initiate stop-payment requests online via SYSTEM for paper checks or ACH (Automated Clearing House) items on your BANK accounts. Online stop-payment requests are processed at 9:00 a.m. on the business day following the date the stop payment has been requested online. To be effective, this type of stop-payment request must precisely identify the name of the payee, the check number, the amount, and the date of the check. If you make your stop payment request online or by telephone, we may also require you to put your request in the form of paper writing and get it to us within 14 days after you call. You will incur stop-payment charges as disclosed in the current fee schedule for the applicable account. Stop-payment charges for SYSTEM bill payment paper drafts will be assessed according to the stop-payment charges for the applicable account.

**(17) Disclosure of Account information, and Transfers** - You understand information about your accounts or the transfers you make may automatically be disclosed to others. For example, tax laws require disclosure to the government of the amount of interest you earn, and some transactions, such as large currency and foreign transactions, must be reported to the government. We may also provide information about your accounts to persons or companies we believe would use the information for reasonable purposes, such as when a prospective creditor seeks to verify information you may have given in a credit application or a merchant calls to verify a check you have written. In addition, we routinely inform credit bureaus when accounts are closed because they were not handled properly. We may also seek information about you from others, such as the credit bureau, in connection with the opening or maintaining of your account or in connection with approving your access to SYSTEM. You agree, and hereby authorize all of these transfers of information.

**(18) Periodic Statements** - You will not receive a separate SYSTEM statement. Transfers to and from your accounts using SYSTEM will appear on the respective periodic statements for your BANK accounts.

**(19) Change in Terms** - We may change any term of this Agreement at any time. If the change would result in increased fees for any SYSTEM service, increased liability for you, fewer types of available electronic fund transfers, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic fund transfer system. We will post any required notice of the change in terms on the BANK SYSTEM website or forward it to you by e-mail or by postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, we will notify you of the change in terms within 30 days after the change becomes effective. Your continued use of any or all of the subject SYSTEM Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that changes to fees applicable to specific accounts are governed by the applicable deposit agreements and disclosures.

**(20) In Case of Errors or Questions about Your Electronic Transfers, including Bill Payments** - Contact us as soon as you can, if you think your statement is wrong, or if you need more information about a transfer listed on your statement. We must hear from you no later than 60 calendar days after we sent the FIRST statement upon which the problem or error appeared. When you contact us: (1) Tell us your name and account number; (2) Describe the error or 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; (4) If the suspected error relates to a bill payment made via the SYSTEM Bill Payment Service, tell us the account number used to pay the bill, payee name, the date the payment was sent, payment amount, and the payee account number for the payment in question. (This information appears on the Payment History Screen.) If you contact us by telephone or by e-mail, we may require that you send us your complaint or question in the form of paper writing by postal mail or fax within 10 business days, we will communicate to you the results of our investigation within 3 business days after you contact us and will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within 10 business days (including interest where applicable) 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 10 business days, we may not provisionally credit your account. Your account is considered to be a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened. We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

**(21) Our Liability for Failure to Make a Transfer** - If we do not complete a transfer to or from your account, on time or in the correct amount, according to our agreement with you when you have properly instructed us to do so, we will be liable to you for your losses or damages caused as a result. However, there are some exceptions. We will NOT be liable, for instance: (1) if, through no fault of ours, you do not have enough money in your account to make a transfer; (2) If a legal order directs us to prohibit withdrawals from the account; (3) If your account is closed, or if it has been frozen; (4) If the transfer would cause your balance to go over the credit limit of an established line of credit or the credit limit for any credit arrangement set up to cover overdrafts; (5) If you, or anyone authorized by you commits any fraud or violates any law or regulation; (6) If any electronic terminal, telecommunication device, or any part of the SYSTEM electronic fund transfer system is not working properly and you knew about the problem when you started the transfer; (7) If you have not provided us with complete and correct payment information for the Bill Payment Service, including, without limitation the name, address, your payee-assigned account number, payment date, and

payment amount for the payee on a bill payment; (8) If you have not properly followed the on-screen instructions for using SYSTEM; or (9) If circumstances beyond our control (such as fire, flood, interruption in telephone service or other communication lines) prevent the transfer, despite reasonable precautions that we have taken.

**(22) Your liability for Unauthorized Transfers** - CONTACT US AT ONCE if you believe your password has been lost, stolen, used without your authorization, or otherwise compromised, or if someone has transferred or may transfer money from your accounts without your permission. An immediate telephone call to us is the best way to reduce any possible losses. You could lose all the money in your accounts (plus your maximum overdraft line of credit, if any). If you contact us within 2 business days after you learn of the loss, theft, of an active device compromise, or unauthorized use of your password, you can lose no more than \$50 or the amount of the authorized transfer that occurs before notifying us or if someone used your password without your permission. If you DO NOT contact us within 2 business days after you learn at the loss, theft, compromise, or unauthorized use of your password, and we can prove we could have stopped someone from using your password to access your accounts without your permission if you had told us, you could lose as much as \$500. Also, if your periodic statement shows transfers that you did not make, contact us at once. If you do not tell us within 60 calendar days after we sent the FIRST statement upon which the problem or error appeared. Your liability shall not exceed the amount of the unauthorized transfer that occurred after the close of the 60 calendar days and before notice to the bank.

**(23) Disclaimer of Warranty and limitation of Liability** - Except to the extent prohibited by law, we make no warranty of any kind, express or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with the SYSTEM Services provided to you under this Agreement. We do not and cannot warrant that SYSTEM will operate without errors, or that any or all SYSTEM Services will be available and operational at all times. Except as specifically provided in this, Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of or access to SYSTEM, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warranty. Further, in no event shall the liability of BANK and its affiliates exceed the amounts paid by you for the services provided to you through SYSTEM.

**(24) Virus Protection** - The BANK is not responsible for any electronic virus or viruses that you may encounter. We encourage our customers to routinely scan their PCs using a reliable virus detection product to detect and remove any viruses. Undetected or unrepaired viruses may corrupt and destroy your programs, files and even your hardware. Additionally, you may unintentionally transmit the virus to other computers.

**(25) Your Right to Terminate** - You may cancel your SYSTEM service at any time by providing us with written notice in person or by postal mail or fax. Your access to SYSTEM will be suspended within 3 business days of receipt of your instructions to cancel the service. You will remain responsible for all outstanding fees and charges incurred prior to the date of cancellation.

**(26) Our Right to Terminate** - You agree that we can terminate or limit your access to SYSTEM Services for any of the following reasons: (1) Without prior notice, if you have insufficient funds in any of your BANK accounts. SYSTEM service may be suspended, in our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits service may be reinstated; (2) upon 3 business days notice, if you do not contact us to designate a new Primary Checking Account immediately after you close your Primary Checking Account; (3) upon reasonable notice, for any other reason in our sole discretion.

**(27) Electronic Email** - We may not immediately receive email that you send. We will have a reasonable opportunity to act before taking action on your email requests. You cannot use email to stop payments, transfer funds, or perform

a bill payment.

**(28) Communications between BANK and You** - Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways: (1) E-mail- You can contact us by e-mail at [info@thecommercialbanksc.com](mailto:info@thecommercialbanksc.com) (Please note that banking transactions through SYSTEM are not made via e-mail.); (2) Telephone - You can contact us by telephone at 864-369-7326; (3) Facsimile - You can contact us by fax at 864-369-6805; (3) Postal Mail - You can write to us at The Commercial Bank, Attn: Internet Banking, P.O, Box 127, Honea Path, SC 29654; (4) In Person or you may visit us in person at 4 Church Street, Honea Path, SC 29654.

**(29) Consent to Electronic Delivery of Notices.** You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and any future disclosures required by law, including electronic fund transfer disclosures, may be made electronically by posting the notice on the BANK SYSTEM website or by e-mail. You agree to notify us immediately of any change in your e-mail address.

**(30) Third-party Web Site Links** - Bank does not endorse or guarantee the products, information or recommendations provided by linked sites. BANK is not liable for any failure of products or services advertised on those sites, Third-party sites may have a privacy policy different than that of our bank. Third-party web sites may provide less security than the web site of our bank.