

### **1. Online Banking**

Online Banking is a service provided to you by National Bank of Middlebury (“NBM”) which permits you to access your accounts with NBM in order to transfer funds, pay bills or check the status of your accounts. You can access these services through the use of a computer and an Internet Service Provider.

In order to use this service you must be an existing deposit account customer of NBM. Current customers of the Bank, after reading and accepting the terms and conditions of this disclosure, may use the service.

This Online Banking Agreement and Disclosure (“Agreement”) describes your rights and obligations of the Online Banking service and other services to include Deposit Capture and Bill Payment Service (“Services”). It also describes the rights and obligations of NBM. Please read this Agreement carefully. By requesting and using one of these Services, you agree to comply with the terms and conditions of this Agreement.

The terms and conditions described in this Agreement are in addition to all other disclosures and agreements you have received relating to your accounts with NBM.

NBM is not responsible for the equipment and software you may use to access or use in conjunction with our Online Banking program, nor for any errors, failures, malfunctions, computer viruses or related problems that may be associated with the use of the Online Banking program. WE DISCLAIM ALL WARRANTIES REGARDING YOUR COMPUTER AND SOFTWARE AND THEIR USE THROUGH THE NBM ONLINE BANKING SYSTEM, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### **Definitions**

The following definitions apply in this Agreement:

1. “Authorized Representative” refers to a person with authority (with respect to the account);
2. “Bill Payment” is the online service that enables the scheduling of bill payments using a personal computer;
3. “ISP” refers to your Internet Service Provider;
4. “Online Banking” is the internet-based service providing access to your Bank account(s);
5. “Online Account” means the Bank account from which you will be conducting transactions using a Service;
6. “Password” is the customer-generated code selected by you for use during the initial sign-on, or the codes you select after the initial sign-on, that establishes your connection to the Service;
7. “PC” means your personal computer which enables you, with the Internet browser and ISP, to access your Online Account;
8. “Time of day” references are to Eastern Standard Time;
9. “We”, “us”, or “Bank” refer to NBM which offers the Services and which holds the accounts accessed by the Services;
10. “You” or “your” refers to the owner of the account or the authorized representative.

#### **Services Available**

The NBM Banking system has been designed to allow you to control your financial tasks from a personal computer. Depending on the services requested, you will be able to:

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- View a summary of your accounts, including loans, held at NBM
- Transfer funds between accounts
- Access information regarding deposits, checks, electronic debits and credits and ATM transactions
- Establish payees and schedule current, future, recurring or non-recurring payments
- Categorize payments for budgeting and tax purposes

You may use the Online Banking System to contact us by electronic mail (e-mail). The Bank may not receive the e-mail immediately so if there are instances that need immediate attention, please contact us directly at 1-877-508-8455.

Because each individual has a personal user name and password, no transfers or payments may be made from any account that requires more than one signature.

Any charges or fees associated with your accounts have been provided to you in the Bank's Schedule of Fees and all deposit agreements apply as applicable to the Online Banking system. If these charges or fees are amended at any time, you will be notified by mail of the changes.

The Bank reserves the right to terminate your accounts and the use of the Online Banking system at any time. Upon termination the Bank will make no further transfers or payments from your account, including any transactions you have previously authorized.

### Electronic Funds Transfer Disclosure Relating to Online Banking

When you opened your account with NBM or began using a new service that involved the electronic transfer of funds, you received a disclosure explaining the terms and conditions relating to these types of transactions. Online Banking also uses electronic transfers to process some transactions. The section below describes the terms and conditions relating to electronic transfers when using the Online Banking system. Prior disclosures remain in effect for other types of electronic funds transfers.

#### What is an "Electronic Funds Transfer"?

"Electronic Funds Transfer" (EFT) is a transfer of funds by electronic means. The term EFT includes all point-of-sale transfers, ATM transfers (deposits and withdrawals), direct deposits, electronic payments, and transfers initiated by telephone, personal computer or device.

EFT accounts, which can be either a checking or savings account, must be in the name of a natural person and be used only for personal, family, or household purposes.

To initiate an EFT transaction an "access device" is used. This can be a card, a code, or any other means of access to an account that a consumer can use to initiate electronic fund transfers or a combination of these. A computer password will be the access device for your Online Banking transfers.

#### What Types of Services are Available Online?

You may use your password to access your accounts in order to:

1. Transfer funds between your checking and savings accounts or from your checking or savings account to your loan account. Checking accounts include all types of demand deposit accounts to include Money Market Accounts.
2. Pay bills through the Online Banking system.

#### What is a Business Day?

Business days are Monday through Friday. Federal holidays are not included.

#### How Frequently Can Transfers be Made?

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1. You may transfer funds as permitted in your NBM Deposit Account Contract. The number of funds transfers and bill payments is unlimited except for Money Market and Savings Accounts. If you use a Money Market or Savings Account, a maximum of six (6) transfers per calendar month by either a computer, telephone, wire, or pre-authorized transfers is allowed.
2. Transfers may take up to one (1) business day depending on the day and time the transfer is requested. Transfers will be made if funds are available. For security reasons, there are limits on the dollar amount of transactions from your accounts.

### What if a Transfer is Not Made?

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, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If the computer, software, or Internet Service Provider you used to conduct the transaction fails or malfunctions.
- If you have not provided complete, correct and current information needed to make a transfer or process a bill payment.
- If you do not authorize a bill payment allowing sufficient time for the payment to be made and properly credited by the payee by the time it is due or if the payee fails to credit your account promptly upon receipt.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- For any indirect, incidental, special or consequential damages that were not intentional but the result of a bona fide error, notwithstanding our procedures to avoid such errors.
- There may be other exceptions stated in our agreement with you.

### What Documentation Will You Receive?

You can get balance and transactional information on any day. This information may only be current as of the close of business on the previous business day.

If you make a transfer from one type of account to another, you will receive a confirmation and reference number for the transaction on the computer. You are advised to either print this confirmation or copy down the reference number for your records.

### Can Payments Be Stopped?

If you have transmitted a bill payment request, you can void your request using the Online Banking system. (We understand that you will confirm the accuracy of this statement with Fiserv.) Your request to void the transaction must be made while the transaction is still in "pending" status.

If you are unable to access the Online Banking system and wish to void an individual or recurring bill payment request, you can call us at 1-877-508-8455 or write us at National Bank of Middlebury, P.O. Box 189, Middlebury, VT 05753-0189 and we will make a good faith effort to stop the processing of the bill payment request. Your instructions must describe the bill payment request with reasonable certainty (it must include the transmit date, amount of payment and payee).

We will not be liable if we fail to stop the processing of a bill payment request because you did not provide us with sufficient information or you did not allow us a reasonable opportunity to act on it. We will not be liable if the processing of a bill payment request causes checks drawn on your account to be returned for insufficient funds. If we do stop the processing of a bill payment request at your direction, you agree to pay all costs we may incur as a result.

Written stop payment instructions are good for 180 (one hundred eighty) days unless we receive written notice to remove it or renew it before the 180 (one hundred eighty) day period expires. If you ask us to stop one of these payments three (3) business days or more before the bill payment request is scheduled to be processed, and we do not do so, we will be liable for your losses or damages.

### What are the Charges for EFT Services?

Any charges for EFT services are contained in NBM's Schedule of Fees under the heading "EFT Charges".

### What Third Parties Will Be Given Information?

It is our general policy to treat your account information as confidential.

However, we will disclose information to third parties about your account or the transactions you make in the following situations:

1. If we return checks on your account drawn on non-sufficient funds or if we are unable to complete an electronic transfer of non-sufficient funds.
2. Where it is necessary for completing transactions
3. Where it is necessary for activating additional services.
4. In order to verify the existence and condition of your account for a third party, such as a credit bureau, merchant, or payee.
5. In order to comply with government agency or court orders.
6. If you give us your written permission.
7. In accordance with our Privacy Policy.

### What You Should do if Your Password is Lost or Stolen? (Consumer Accounts Only)

When you apply for Online Banking you will be provided with a user name and a temporary password. You must select a new password immediately upon accessing Online Banking for the first time. In order to limit your liability, tell us AT ONCE if you believe your password has been lost or stolen.

Telephoning NBM about your password is the best way of keeping your possible losses to a minimum. You could lose all the money available for withdrawal in your account. If you tell us within two (2) business days you can lose no more than \$50 if someone used your password without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your password, and we can prove we could have stopped someone from using the money in your accounts without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

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If you believe your password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call 1-877-508-8455 or write us at: National Bank of Middlebury, P.O. Box 189, Middlebury, VT 05753-0189,

### What Should You Do In Case of Errors or Questions?

In case of errors or questions about your electronic transfers, telephone us at 1-877-508-8455 or write us at: National Bank of Middlebury, P.O. Box 189, Middlebury, VT 05753-0189 as soon as you can. If you think 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 sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

We will need to know:

- Your name and account number.
- A description of the error or the transfer you are unsure about, and a clear explanation of why you believe it is an error, or why you need more information.
- 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 ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) business days (twenty (20) business days for new accounts.) 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 (10) business days, we may not provisionally credit your account.

We will tell you the results within three (3) 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 used in our investigation. We may revoke any provisional credit provided to you if we find an error did not occur.

### Funds Availability

Our policy is to make funds from your deposits available on the first business day after the day we receive your deposit. Funds from electronic direct deposits will be available on the day we receive the deposit. Refer to our Funds Availability disclosure for more information.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and Federal holidays. If you make an electronic deposit before 5:00 P.M. Eastern Time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 P.M. Eastern Time or on a day that we are not open, we will consider that the deposit was made on the next business day we are open. (If you are a new customer and your account is less than thirty (30) days old, your funds may be held for five (5) business days.

### Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.

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- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 5th (fifth) business day after the day of your deposit.

### Special Rules for New Accounts

If you are a new customer, the following special rules may apply during the first 30 (thirty) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposit of cashier's, certified, teller's, traveler's and federal, state and local government checks will be available to you on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

## **2. eStatements**

### Enrollment Terms and Conditions

By accepting the terms below, you agree to receive your selected periodic account statement(s) electronically via Online Banking and you agree that you will no longer receive your statements in paper form. It also means that you agree to receive online any legal notices and other information affecting your account(s) that would otherwise have been included with your paper statement, including, but not limited to, account agreements, fee schedules, privacy and other regulatory notices, and amendments to any of those documents. If paid checks or images of paid checks are returned with your paper statement the images of paid checks will not be returned, but images of your paid checks will continue to be available online. When you select this option, you must then log on to [nbmvt.com](http://nbmvt.com) secure Online Banking Web site using your Online Banking password and access ID to view your eStatements, check images and/or other notifications.

In order to access your periodic account statement information electronically, you must have a computer with Internet access and Microsoft Windows 8 or greater, or Mac operating system. A Microsoft Windows® computer must have at least one of the following web browsers installed: the latest available version of Microsoft Internet Explorer®, Google Chrome®, or Firefox®. A Macintosh® computer must have at least one of the following web browsers installed: the latest available version of Apple Safari®, Microsoft Internet Explorer®, or Firefox®. We cannot guarantee full functionality with any other configurations than what has been outlined above. Additionally, any current functionality on a different configuration may be diminished or eliminated in future updates to the service. From time to time the hardware and/or software requirements to download and view eStatements may change. When this happens we will notify you of any changes.

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A PDF version of your account statement will be made available. The PDF version of your periodic account statement will be the legal statement of record. Adobe Acrobat Reader® DC (or other software capable of reading a PDF file) is required to view your statement. Adobe Acrobat Reader® can be acquired for free at [www.adobe.com/reader](http://www.adobe.com/reader). In order to print and retain a paper copy of your statements, you will need a printer attached to your computer.

**Review of Periodic eStatements:** You must promptly access and review your periodic account statement and notify NBM in writing immediately of any error, unauthorized transaction, or any other irregularity. If you allow someone else to access your eStatement, you are still fully responsible to review the periodic account statement for any errors, unauthorized transactions, or any other irregularities. Any applicable time period, as described in the Deposit Account Agreement and disclosed on the periodic account statement, within which you must notify NBM of any error on your personal account statement shall begin on the periodic account statement email notification date regardless of when you access and/or review your eStatements(s). If you do not immediately report to NBM any non-receipt of eStatements or any error, irregularity, discrepancies, claims or unauthorized debts or items, you shall be deemed conclusively to have accepted all matters contained in the eStatement to be true, accurate and correct in all respects. Your periodic account statement will become available through the Service shortly after the end of your statement cycle period. Your check images may be available to you even before all of the images of your cancelled checks have been processed for the statement cycle period. However, the Service is uploaded multiple times each day and as soon as your check images are processed, they will be made available to you through the Service.

Your account statements will become available through the Service incrementally each month after you enroll in the Service, creating an archive of three (3) years of past statements. If you wish to retain your account statements for a longer period of time, you should download them to your computer or print them during the three (3) years that they are available through the Service. If you request a paper copy of either your deposit account statement or any check referenced in that statement from us, we will provide a legible copy within a reasonable period of time. A paper statement fee may be applicable.

eStatements may only be accessed through [nbmvt.com](http://nbmvt.com) Online Banking. When your eStatements are available, you will receive an email notification to the email address you have on file with NBM. Any account statement posted will be considered delivered on the day that it was first made available to you for viewing. If your email notification is returned to us undeliverable, we may discontinue eStatement services and mail your periodic account statements in paper form to your current mailing address on file via U. S. Mail. There may be a charge in accordance with the applicable Fee Schedule for subsequent paper statements. Regardless of your receipt of email notification, you agree that our posting of your statements on the Online Banking Web site constitutes delivery of your periodic account statement. You agree to log on to Online Banking at least once a month to review your statements.

You agree to provide NBM with an email address in order to receive your email notifications. It is your responsibility to ensure that NBM has your correct email address. If your email address changes, you must provide us with your new email address by contacting the Bank in writing at the address listed below, updating it through your Online Banking or by contacting one of our Customer Service Representatives, in person, at any branch location. You may request a paper copy of any statement or other information received electronically under this Agreement by writing to us at the address listed below. We may charge a fee for each paper statement copy you request.

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You may also contact one of our Customer Service Representatives, in person, at any branch location.

You may elect at any time to withdraw consent to receive your periodic account statement in electronic format by submitting a request to the Bank in writing at the following address: National Bank of Middlebury, P.O. Box 189, Middlebury, VT 05753-0189 or by contacting one of our Customer Service Representatives, in person, at any branch location. If this is a feature of a particular account we reserve the right to convert this account to another type of account with similar features or to charge your account a fee for paper statements as stated in our Schedule of Fees. By clicking the accept button, you acknowledge that you have read and agree to the terms and conditions in this "ELECTRONIC STATEMENT DELIVERY DISCLOSURE AND AGREEMENT." You further acknowledge that you are authorized to enter into this Agreement for all persons who are authorized to access any of your accounts and that all persons will also be bound by the terms and conditions within this Agreement.