



## ONLINE BANKING AGREEMENT

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This Online Banking Agreement (“Agreement”) states the terms and conditions that govern your use of any Online Banking and Mobile Banking Services. In this Agreement, the words “Bank”, “we”, “us” or “our” refer to Locality Bank or any agent, independent contractor, designee, or assignee that we may, at our discretion, involve in the provision of the Services. When we use the words, “Customer”, “you” or “your” we mean (1) an individual or entity that is the owner of an account or (2) an individual authorized to view account information and/or effect transactions in an account.

UNLESS YOU OPT-OUT, THIS AGREEMENT IS SUBJECT TO AN ARBITRATION PROVISION UNDER FEDERAL AND FLORIDA LAW. BY ENTERING INTO THIS AGREEMENT, YOU WILL WAIVE CERTAIN RIGHTS. PLEASE READ THE WAIVER OF JURY TRIAL AND ARBITRATION PROVISIONS CAREFULLY TO ASSESS YOUR RIGHT TO RESOLVE DISPUTES.

### **I. GENERAL TERMS AND CONDITIONS**

#### **1. Agreement and Electronic Communications**

Online Banking allows access to online financial services offering a variety of content, products, and services. We reserve the right to limit access to customers who are outside of the U.S. We grant you access, for your personal or internal business purposes only, a non-exclusive, limited, and revocable right to access and use the bank’s products and services. Your use of these is governed by: (i) this Agreement; (ii) our Fee Schedule disclosure; (iii) your application for Online Banking and all implementation and enrollment forms; (iv) all other agreements and disclosures applicable to the deposit or loan accounts you access through Online Banking, without limitation, including the Deposit Account Agreement; (v) our Privacy Policy; (vi) any applicable overdraft protection agreement; (vii) the terms of use for particular Services and our website; (viii) as applicable, Wire Agreement, (ix) as applicable, Cash Management Services Agreement, and (x) any other applicable loan or account agreement as the foregoing may be amended from time to time (collectively, all agreements other than this Agreement are referred to as our “Other Agreements”). When an account is linked to the Services, it does not change the Other Agreements you already have with us or for that account and you are still subject to the terms and conditions we gave you in the Other Agreements for the account. The terms and conditions for the Other Agreements, including any applicable fees, transaction limitations, liability rules and other restrictions that might impact your use of an account with the Services, are incorporated into this Agreement. In the event of any conflict between this Agreement and any of the Other Agreements, this Agreement will control with respect to the subjects contained herein.

All electronic communications that meet the Bank’s requirements of establishing your identity and acceptance of the electronic communications will be deemed to be valid and authentic and you intend and agree, in accordance with the Bank’s E-SIGN Disclosure and Consent Agreement, that those electronic communications will be given the same legal effect as written and signed paper communications. You agree that electronic copies of communications are valid, and you will not contest the validity of the originals or copies, absent proof of altered data or tampering.

Please note that some of the Services may not be available when using certain digital devices or applications. For example, some functions may only be available online through a personal computer and not available through a Mobile Device or mobile application.

#### **2. Acceptable Use of the Service**

You agree not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, (c) to engage in any Internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, (d) to engage in any activity or business that would result in you being or becoming a “money service business” as defined in the Bank Secrecy Act and its implementing regulations, or (e) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. You acknowledge and agree that the Bank may monitor your use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Agreement. Locality Bank reserves the right to decline to execute any transaction or activity that Bank believes violates the terms of this Agreement. Federal laws prohibit US citizens and businesses from sending money, making payment, or conducting business with certain countries and entities believed to be terrorists, criminals, or enemies of the United States. You acknowledge and agree that you will not generate transactions that violate the laws or regulations of the United States. This includes, but is not limited to, sanction laws administrated by the Office of Foreign Asset Control (“OFAC”). It shall be your responsibility to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at -540-OFAC or from the OFAC’s home page at [www.ustreas.gov/ofac](http://www.ustreas.gov/ofac)).

You agree that the Bank is excused from the performance of any action to debit or credit an account or transfer funds otherwise required by this Agreement to the extent that such action is inconsistent with United States law, including the obligations of the Bank under OFAC or any program administered by the United States Department of the Treasury's Financial Crimes Enforcement Network. The Bank is not liable for any damages or liability you may incur due to cancellation of any payment in accordance with federal law.

### **3. Eligibility**

In order to activate the Service, you must have at least one Account with us linked to the Service. Eligible Accounts include but are not limited to the following account types that may be linked: checking, money market, installment loans, or revolving line of credit. Accessibility of Eligible Accounts may vary based on the Services you use and the method by which you access the Services.

#### **3.1 Linking of Additional Accounts**

A Customer has the ability to link accounts and transfer funds between each of the Accounts listed online. Online Banking and Mobile Banking can be used to access only Locality Bank Accounts which you have signing authority and/or ownership. For money market accounts, each payment or transfer from these Accounts is counted as one of the six (6) transfers you are permitted as defined in the Deposit Account Agreement. If you close an Account or discontinue a Service with pending transactions, then any unprocessed online bill payment or funds transfers will be cancelled. Business accounts cannot be linked to personal Online Banking unless it is a sole proprietorship. If you are a Business Online Banking customer, you may link other personal Accounts held at Locality Bank and may elect, at your risk and that of the business, but not of the Bank, to use a common User ID and Password for Business Online Banking to access all linked personal and business Accounts. You can do this only if you are authorized to link the Accounts and to use all the Services for each Account. You further agree to inform the Bank if your authority over any linked Account decreases. The Bank is not liable if your authority over any Account decreases until we are informed of the change in authority using the "Notice" requirements of this Agreement.

#### **3.2 Multiple Signer Accounts**

Your designation of an Account that requires multiple signatures on Online Banking as an Eligible Account constitutes your agreement to waive this requirement on transactions initiated through the Service. In addition, you agree that we may act on the verbal, written or electronic Instructions of any authorized signer. Each person on an Account with multiple account holders, Authorized Representatives, or agents will be jointly and severally liable for all transactions that are made through Online Banking or Mobile Banking or by means of any Service. Each of you agrees to assume liability for all actions and transactions made by any other person on the Account through, or when using, any of the Services. Each of person should have their own unique and confidential credentials. When the Service is linked to a joint Account, we may act on the verbal, written, or electronic Instructions of any authorized signer or Authorized Representative.

#### **3.3 Authority to Enter into Agreement**

By executing this Agreement and accepting the terms and conditions of this Agreement, you represent and warrant that: (a) you are the owner or joint owner of one or more Accounts, (b) you are a minor at least 13 years of age with an Account that is jointly owned with a parent, guardian or other relative (who is an adult), and (c) you are fully authorized to execute this Agreement for the Accounts. The Services are not directed to children under 13 years of age, and we will not knowingly allow any child under 13 years of age to use the Services.

### **4. Vendor**

You acknowledge and agree that certain portions of the Services are provided by one or more independent third-party service providers or network or partner financial institutions that we may engage to perform functions for us under this Agreement (each a "Vendor" or "Service Provider"), as selected by Bank in its sole discretion, and that both the Vendor and the Services are subject to change from time to time without notice to you. You further acknowledge, agree, and stipulate that the Vendor is an independent contractor providing software, data transmission or other services and is not the agent of you or Bank. Neither the Bank nor the Vendor is responsible for the actions or omissions of the other.

You agree that our Vendors may rely upon your agreements and representations, contained herein, and such Vendors are, for the purposes of those subsections, third-party beneficiaries to this Agreement, with the power to enforce those provisions against you, as applicable.

## 5. General Definitions and Terms

"Account Agreement" or "Deposit Account Agreement" means a deposit account agreement between you and us relating to an Eligible Account.

"Agreement" means this Online Banking Agreement, as the same may change from time to time. All reference to Agreement includes all schedules, addendums, and product schedules, Instructions or user guides we provide to you from time to time.

"Authorized Representative" means a person who is appointed or named by another person to be authorized to act on behalf of such other person with respect to all matters within the scope of such designee's designated authority.

"Available Funds" means funds on deposit in an Eligible Account and available for withdrawal pursuant to Regulation CC and the Bank's applicable funds availability schedule and policies.

"Bank", "we", "us", and "our" refer to Locality Bank.

"Bank Business Day" or "Business Day" means any day other than a Saturday, Sunday, or federal holiday on which we are open to the public for carrying on substantially all of our business.

"Electronic Funds Transfer Act" means the law passed by the US congress in 1978, as may be amended, which set out the rights and obligations of consumers and their financial institutions regarding the use of electronic systems to transfer funds. This act is implemented in the Federal Reserve Bank's Regulation E.

"Eligible Account", or "Account" means a demand deposit account or other deposit account or loan account you have with us that we permit to be linked to a Service.

"Instructions" means any oral, written, electronic or other communication from you that instructs, directs, orders, or requests us to act on your Accounts, including, without limitation, any Instructions to: (a) transfer money between your Accounts; (b) pay money to a third-party payee; and (c) cancel a prior instruction.

"Mobile Banking" means the Online-based or Application based program of Services offered through a Mobile Device.

"Mobile Device" means handheld communication device such as a smartphone, tablet, etc.

"One-time Transfer" means a non-recurring transfer.

"Online Banking" means the Online-based program of Services offered through our website.

"Online Bill Pay" and "Online Bill Payment" and "Payment" means the payment of money from a designated Account to a third-party payee.

"Password" means confidential, unique personal numbers, codes, marks, signs, public keys, PIN numbers or other information composed of a string of characters used as a means of authenticating and accessing a Service.

"Privacy Policy" means a written policy which usually contain details of what personal information is collected, how the personal information may be used, the persons to whom the personal information may be disclosed, and the security measures taken to protect the personal information.

"Recurring Transfer" means a transfer made for the same amount, on the same date, on a weekly, bi-monthly, monthly basis, etc. Once started, recurring transfers will be made automatically until you delete the transfer or upon expiration.

"Regulation E" means the regulation published by the Federal Reserve Bank to implement the Electronic Fund Transfer Act mandating consumer rights and obligation with regard to electronic fund transfers.

"Request" means request by means permitted under the relevant Service to transfer funds to a specified account or beneficiary (including standing Instructions) or to amend or cancel a prior request to transfer funds.

"Security Devices" means any code, password, personal identification number, user identification technology, token, certificate, layered security, or other element, means, or method of authentication or identification used in connection with a Security Procedure.

"Security Procedures" means, unless we agree otherwise in writing with you, the applicable security requirements and procedures for access and use of the Services as specified by us in this Agreement as may be modified from time to time.

"Service(s)" means the Online Banking and Mobile Banking services and features of those services maintained or provided by Locality Bank from time to time and accessible through our website or any non-branch remote channel (excluding ATMs) using a personal computer or Mobile Device.

"User ID" means user identification code selected or assigned in order to access the Services.

## **6. Security**

### **6.1 Security Requirements and Procedures**

We have developed Security Procedures relative to the Service. By accessing or otherwise making use of any of the Services, you acknowledge that you have reviewed our Security Procedures and you agree that they are commercially reasonable and that you are legally bound by them, as the same now exist and may in the future exist. In connection with any Service, if we comply with the Security Procedures to which you have agreed, we will not be liable for the amount of any unauthorized transactions arising from the use of any Service to which the Security Procedures relate.

In order to use certain Services, you may be required to select or will be assigned one or more User IDs, Passwords, or one-time passcodes. The use of a User ID, Password, or one-time passcode, in addition to other authentication methods described below, is a Security Procedure established by the Bank to authenticate the identity of the person attempting to gain access to the Service. The Security Procedures are not designed for the detection of errors. In addition, the Bank may offer optional additional security enhancements. If you elect not to use these optional security enhancements, we will not be liable for the amount of any unauthorized transactions arising from the use of any Service. You are responsible for safeguarding the User IDs, passwords, and one-time passcodes. Providing them to another person effectively constitutes a grant of authority to access your Accounts.

### **6.2 Physical and Electronic Security**

The Customer is solely responsible for providing for and maintaining the physical, electronic, and technical security of data, systems, and devices in the Customer's possession or under the Customer's control. The Bank is not responsible for your device's security and any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," "trojans" and/or "spyware"), or problems, malfunctions, or non-authorized transactions resulting from any computer viruses or unauthorized counterparty, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is accessed at Customer's own discretion and risk, and the Bank is not responsible for any damage to Customer's devices or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. The Customer is solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to Customer's devices and operating systems, and for protecting, securing, and backing up any data and information stored in or on Customer's device. The Bank is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on Customer's devices or accessed through the Service.

The Customer acknowledges and agrees that it is the Customer's responsibility to protect itself and to be vigilant against email fraud and other Internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" and "pharming"). The Customer acknowledges that the Bank will never contact a Customer by email in order to ask for or to verify Account numbers, or any sensitive or confidential information. In the event a Customer receives an email or other electronic communication that Customer believes, or has reason to believe, is fraudulent, the Customer agrees they shall not respond to the email, provide any information to the email sender, click on any links in the email, or otherwise comply with any instructions in the email. Customer agrees that the Bank is not responsible for any losses, injuries, or harm incurred by a Customer as a result of any electronic, email, or Internet fraud.

### **6.3 Breach of Security Procedures**

In the event of a breach of the Security Procedure, the Customer agrees to assist the Bank in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing the Bank or Bank's agent or Vendor proof that the device has been cleaned by a professional prior to allowing the Account to be re-activated for use of the Services. Customer further agrees to conduct and provide to the Bank an analysis of such equipment, device, or software or and any report of such analysis performed by Customer, Customer's agents, law enforcement agencies, or any other third party. Failure of Customer to assist Bank may be considered an admission by Customer that the breach of the Security Procedure was caused by a person who obtained access to transmitting facilities of the Customer or who obtained information facilitating the breach of the Security Procedure from the Customer and not from a source controlled by Bank.

### **6.4 Acknowledgment of Commercially Reasonable Security Procedures**

You agree to comply with the Security Procedures and any other Security Procedures the Bank directs you to use, and you acknowledge and agree that the Security Procedures constitute commercially reasonable security procedures under applicable law for the initiation of the Services you utilize, including without limitation, transfers, and access to confidential information. You authorize us to follow any and all Instructions entered, and transactions initiated using applicable Security Procedures unless and until you have notified us,

according to notification procedures prescribed by us, that the Security Procedures or any Security Device has been stolen, compromised, or otherwise become known to persons other than you or your representative(s) and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a transaction or Instructions using applicable Security Procedures constitutes sufficient authorization for Bank to execute such transaction or instruction notwithstanding any particular designation by you of authorized persons or signature requirements identified on any documents relating to your Account maintained with Bank, and you agree and intend that the submission of transactions and Instructions using the Security Procedures shall be considered the same as your authorized written signature in authorizing us to execute such transaction or Instruction. You acknowledge and agree that you shall be bound by any and all transactions and Instructions initiated through the use of such Security Procedures, whether authorized or unauthorized, and by any and all transactions, Instructions and activity otherwise initiated by you, to the fullest extent allowed by law. You further acknowledge and agree that the Security Procedures are not designed to detect error in the transmission or content of communications, transactions or Instructions initiated by you and that you bear the sole responsibility for detecting and preventing such error.

You agree to keep all Security Procedures and Security Devices protected, secure, and strictly confidential and to provide or make available the same only to your Authorized Representative(s). You agree not to disclose or provide any Security Procedure or Security Devices to any unauthorized person. You agree you are responsible for obtaining, configuring, and maintaining a secure malware free computing environment including, without limitation, installing and maintaining an up to date (release versions and definitions) of firewall and anti-virus and anti-spyware/malware software. Where you have the ability to change or modify a Security Device from time to time (e.g., a Password or User ID), you agree to change Security Devices frequently in order to ensure the security of the Security Device. You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any Security Procedures or Security Device have been stolen, compromised, or otherwise become known to persons other than you or your Authorized Representative(s) or if you believe that any transaction or activity is unauthorized or in error. In the event of any actual or threatened breach of security, we may issue you a new Security Device or establish new Security Procedures as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions. You agree to indemnify, defend all claims, and hold the Bank harmless from any loss, damages, or expenses, including but not limited to attorney's fees, caused by you, your employees', or agents' or Authorized Representative(s)' failure to keep the Security Procedures or Security Device confidential and secure.

Your use of a Service constitutes your agreement that the Security Procedures for that Service are commercially reasonable. We reserve the right to modify, amend, supplement, or cancel any or all Security Procedures, and/or to cancel or replace any Security Device, at any time and from time to time at our discretion. We will endeavor to give you reasonable notice of any change in a Security Procedure; provided that we may make any change in a Security Procedure without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. You agree to promptly implement any change to the Security Procedures. Your implementation and use of the Services after any change in the Security Procedures shall constitute your agreement to the change and your agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

## **6.5 Equipment**

To access and use one or more of the Services, we may require that you have certain systems, equipment, computers, devices, hardware, software, telecommunications equipment and services, Internet access and services, and/or equipment and software, "Customer System".

You are responsible at your sole expense for: (i) obtaining the Customer System, (ii) maintaining the Customer System in good working order and ensuring that the Customer System continuously meets all of our applicable requirements as stated in this Agreement or as otherwise provided to you, (iii) the performance, functionality, input, output and connectivity of the Customer System, (iv) any damage to the Customer System, whether in connection with use of the Services or otherwise, and all necessary repairs and/or replacements, and (v) implementing reasonable measures to protect the security of the Customer System against unauthorized access to and/or use of the Services or Services data and information entered or delivered through the Customer System. The Bank shall have no responsibility for failures, interruptions, or other defects in the Services, which are occasioned by an incompatible, improperly installed or improperly maintained Customer System.

## **6.6 Internet Disclaimer**

For any Service(s) described in the Agreement utilizing the Internet, the Bank does not and cannot control the flow of data to or from Bank's network and other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt your connections to the Internet (or portions thereof). Bank cannot guarantee that

such events will not occur. Accordingly, the Bank disclaims any and all liability resulting from or related to such events and in no event shall the Bank be liable for any damages (whether in contract or in tort) that are attributable to the public Internet infrastructure, your ability to connect to the Internet, or Bank's ability to connect to the Internet on your behalf.

## 6.7 User IDs and Passwords

One of the main security features protecting the Service is the unique combination of your User ID and Password. During the enrollment process, you will be asked to create a unique User ID and a Password that will be used to gain access to the Service. You determine your own Password, which is encrypted in our database. Neither the Bank nor any of its Service Providers have access to your Password. After five (5) unsuccessful log on attempts we will deactivate your Service. You may reset your Password utilizing the Service. You may also contact us for assistance in resetting your Password.

You agree not to give or make available your User ID or Password or other means to access your Account or the Services to any unauthorized individuals. You are responsible for any and all payments you or an Authorized Representative make using the Service. If you (i) permit any other persons (for example, a member of your household) to use the Service or to use your User ID or Password, (ii) disclose, provide or otherwise make available your User ID or Password to any other person, or (iii) provide or permit any other person any other means to access your Account, you are responsible for any transactions they authorize which shall be deemed authorized by you.

You are solely responsible for keeping your User ID and Password and account information confidential. In order to protect yourself against fraud, you should adhere to the following guidelines:

- Do not give out your Account information, Password, or User ID;
- Do not leave your computer or Mobile Device unattended while you are logged on Bank's Online Banking site or Mobile Banking application;
- Never leave your Account information within range of others;
- Do not send privileged Account information (account number, User ID, Password, etc.) in any public or unsecured email system. You should change your password frequently, such as every 90 days;
- A Password should be changed immediately if you suspect that your password has been compromised. This can be done at any time by logging on to the Service.

**Neither Bank nor its Service Providers will contact you via telephone or email requesting personal information, your User ID, or your Password. If you are contacted by anyone requesting this information, please do not provide them any information and contact us immediately.**

If you believe your Password has been lost or stolen, or if you suspect any fraudulent activity on your account, immediately change your Password and then contact the Bank by one of the following:

- Sending us a secure message through the Service;
- Contact a Bank representative by calling us at 954-799-0900

Telephoning is the best way of minimizing your losses and liability.

The following procedures should be strictly followed in maintaining and selecting your Password:

- Password must be at least 8 characters long;
- Password must contain at least two upper and lower alpha characters, two numeric and a special character (such as !, @, #, \$)
- Password cannot be the same as your User ID;
- Longer Passwords are more secure;
- Because your Password is used to access your Eligible Account(s), you should treat it as you would any other sensitive personal data;

- You should carefully select a Password that is hard to guess;
- You should not use words or numbers based on your name, address, social security number, birth date, or other personal information;
- DO NOT use words that appear in the dictionary for your Password. They are easy to guess.
- Memorize your password and DO NOT write it down.

We make fingerprint or touch identification and facial recognition available for your use as credentials in accessing Online Banking through the Mobile Banking application in lieu of your User ID and Password (each a "Biometric Access Credential"). If you elect to use a Biometric Access Credential, you do so at your own risk. If you enable a Biometric Access Credential, you acknowledge and agree that anyone whose fingerprint or face is stored on your Mobile Device may use the device to access your Accounts through Online Banking. If you have another person's fingerprint or face stored on your Mobile Device, you should not enable any of the Biometric Access Credentials in the mobile application for use in accessing Online Banking through your Mobile Device. You may disable access to Online Banking using a Biometric Access Credential by updating your Settings in the Mobile Online Banking section. The Bank does not access, store, control, or verify your Biometric Access Credential. This is a feature of certain Mobile Devices and not a feature of Online Banking. Fingerprints and face data are stored and used solely on your Mobile Device. We are not responsible for any of your losses or damages arising out of unauthorized access to Services or any of your Accounts through the use of a Biometric Access Credential. If at any time Online Banking access through a Biometric Access Credential is not working or is otherwise unavailable, you agree that you will be required to access Online Banking by other means. If you have the Online Banking mobile application on your Mobile Device, whether or not you use a Biometric Access Credential, you must notify us immediately if your Mobile Device is lost or stolen, if an unauthorized person may have access to your User ID or Password, or if you have changed your Mobile Device number. We reserve the right to remotely disable your Online Banking credentials in order to protect against theft, fraud, and other losses.

### **6.8 Log-On Security**

To help protect access to your Eligible Account(s), your online session will end if we detect no activity for the timeout period. The timeout period is automatically set for fifteen (15) minutes. For Mobile Devices, your online session will end if we detect no activity for fifteen (15) minutes. This is to help protect you in case you accidentally leave your computer or Mobile Device unattended after you have logged on.

### **6.9 Encryption**

The Service uses the Secure Socket Layer ("SSL") encryption technology for everything you do while using the Service. Your Internet browser automatically activates SSL when it connects to the Service. You shall ensure that your personal computer has an Internet browser or web-enabled Mobile Device that is capable of SSL, 128-bit encryption. Whenever SSL is securing your communications, the Internet browser will typically indicate this secure session by changing the appearance of a small icon of a padlock that may be located either at the top or bottom of your screen from open to locked. What this means to you is that your communications are encrypted from your Internet browser to our servers.

**We are not responsible, and you agree to hold us harmless for security breaches caused by or arising from your Internet service provider, or Mobile Device service provider.**

### **6.10 Cookies**

During your use of the Service, our Service Provider may pass an encrypted cookie to your computer or Mobile Device in order to identify your device during the session and for future sessions. The cookie provides another level of security for our Service. The cookie may be stored on your computer or Mobile Device in order to identify your system.

### **6.11 Additional Security Guidelines**

- The security of public computers (e.g., in a library, or Internet café) cannot be assured; therefore, we recommend that you refrain from accessing the Service on a public computer.

- We recommend that you periodically update your operating system and Internet browser for critical security related patches. We further recommend use of the current, fully patched, versions of Internet browsers for accessing the Service.

We are not responsible for any error, damages or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser (Mozilla Firefox®, Microsoft Internet Explorer®, or otherwise), your Internet service provider, your personal financial management or other software (such as Quicken® or Microsoft Money®), or any equipment you may use (including your telecommunications facilities, computer hardware, router and modem) to access or communicate with the Services. In addition to the security features described above, there may be other security related notices posted on our website or Service from time to time. Please visit the Bank's homepage at [www.localitybank.com](http://www.localitybank.com) to view our Privacy Policy and other security notices.

## **7. Website, Privacy, and Confidentiality**

### **7.1 Ownership of Website**

The content, information and offers on our website are copyrighted by Bank and/or its Service Providers and the unauthorized use, reproduction, linking or distribution of any portions is strictly prohibited. You agree not to copy, display, distribute, download, license, sub-license, modify, publish, repost, reproduce, reuse, sell, transmit, create a derivative work from or otherwise use for public or commercial purposes, the information, and materials on the sites, except as provided in this Agreement, without our express written permission. Unless otherwise noted, all other trademarks, service marks, and logos used on the Bank's sites are the trademarks, service marks or logos of Bank, or others as indicated.

### **7.2 Web-Linking Practices**

The Bank may provide access to information, products or services offered on other third-party web sites. The Bank is not responsible for, nor does control, the content, products, or services provided by linked sites. The Bank does not endorse or guarantee the products, information or recommendations provided by linked sites, and is not liable for any failure of products or services advertised on those sites. In addition, each third-party site may provide less security than the Bank and have a privacy policy different than that of the Bank. Your access, use and reliance upon such content, products or services is at your own risk.

### **7.3 Privacy and Confidentiality**

Our Privacy Policy is available on our website and may be updated from time to time.

### **7.4 Confidentiality and Non-Disclosure**

By requesting or using any Service, you agree and acknowledge that we will use reasonable efforts to hold in confidence all confidential information received by us in connection with the use of any Service. However, confidential information shall not be deemed to include any information which (i) is or becomes generally available to the public other than as a result of a disclosure by us; (ii) is or becomes available to us on a non-confidential basis by a third party that rightfully possesses the confidential information and has the legal right to make such disclosure; or (iii) is required to be disclosed by a court of competent jurisdiction, administrative agency or governmental body or by law, rule or regulation or by subpoena or other legal process. Furthermore, you acknowledge and agree that confidential information will be disclosed to certain employees, agents, and third-party independent contractors or vendors as necessary to provide the Services set forth above. You agree to hold confidential and to use only in connection with this Service all information furnished to you by the Bank or third parties from whom Bank has secured the right to use the Service, including, but not limited to, the Bank's system design, programming techniques or other unique techniques. In addition, should you at any time receive or acquire any information relating to another customer of the Bank, you shall promptly return such information to Bank and not reveal such information to any other party and shall not make use of such information for your own benefit. You agree that any specifications or programs developed by the Bank in connection with this Agreement are the exclusive property of Bank, its agents, suppliers, or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose with the express written consent of Bank. Notwithstanding anything to the contrary contained herein, it is acknowledged and agreed by the parties hereto that the performance of the Service is or might be subject to regulations and examination by authorized representatives of the Federal Deposit Insurance Corporation, and the Office of Financial Regulation, and you agree to the release of your reports, information, assurances, or other data as may be required by them under applicable laws and regulations. This confidentiality and non-disclosure clause shall survive the termination of this Agreement.

## **8. Limitation of Liability; Disclaimer of Warranties and Indemnification**

### **8.1 Limitation of Liability**

Except as required by applicable law, In no event will Locality Bank, its vendors, directors, officers or other related parties be liable for any damages, loss, delay, cost, or liability including but not limited to any direct or indirect damages, arising in whole or in part to (1) any transaction conducted through or facilitated by the services; (2) any claim attributable to errors, omissions, or other inaccuracies in the services described or provided, (3) unauthorized access to or alteration of your transmissions or data, (4) your action or omissions, or those of third parties; (5) your negligence or breach of any agreement with us; (6) any ambiguity, inaccuracy, or omission any instruction or information provided to us; (7) any error, failure, or delay in the transmission or delivery of data, records, or items, (8) the application of any government of runs transfer system rule, guideline, policy, or regulation, (9) the lack of available funds in your account to complete a transaction; (10) our inability to confirm to our satisfaction the authority of any person to act on your behalf; or (11) any other matter relating to the services described or provided. If you are dissatisfied with the services or with the terms of the agreement, your sole and exclusive remedy is to discontinue using the services without limiting the generality of the foregoing, in no event will the Bank, our vendors, directors, officers and agent's liability exceed one hundred dollars (\$100).

FURTHER, WE SHALL NOT BE LIABLE TO YOU OR ANY THIRD PARTY FOR FAILURE TO EXECUTE ANY TRANSFER OR PERFORM A RELATED ACT IF SUCH FAILURE IS DUE TO CAUSES OR CONDITIONS BEYOND OUR REASONABLE CONTROL, INCLUDING WITHOUT LIMITATION, STRIKES, LABOR DISPUTES, RIOTS, CIVIL UNREST, INSURRECTION, WAR, MILITARY OR NATIONAL EMERGENCIES, ACTS OF GOD, NATURAL DISASTERS, INCLIMENT WEATHER, FLOOD (E.G., FROM FIRE SUPPRESSION SYSTEM), FIRE, OUTAGES OF COMPUTERS OR ASSOCIATED EQUIPMENT, QUARANTINES, PANDEMICS, OR FAILURE OF TRANSPORTATION OR COMMUNICATION METHODS OR POWER SUPPLIES.

In the event you cannot create or transmit a transaction(s) due to hardware, computer or associated equipment, or communications outage, it is your responsibility to have contingency procedures in place. The Bank will not be held liable for delayed transactions or files in any case resulting from hardware, computer or associated equipment, or communication outages.

Except as specifically provided in this Agreement, or where applicable law requires a different result, neither Bank nor our vendors or agents will be responsible or liable for any loss or liability resulting in whole or in part from any errors or failures resulting from defects in or malfunctions of your device's hardware or software, for the quality or performance or lack of performance of any software or hardware or Internet delivered services supplied by Bank to you in connection with this Agreement, for the transmission or failure of transmission of any information from you to Bank or from Bank to you, or for any failures of Internet access providers. Bank shall not be responsible for notifying you of any upgrades or enhancements to any of your hardware or software.

### **8.2 Disclaimer of Warranties**

We may on a regular basis perform maintenance on our equipment or system, which may result in interrupted service or errors in the Services. We also may need to change the scope of the Services from time to time. We will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will be provided. We make no representation that Services will be uninterrupted or error free. Our sole obligation to you arising out of (i) the non-availability of Services; or (ii) an interruption or delay in providing Services shall be to use commercially reasonable efforts to resume such Services. The foregoing shall constitute our entire liability and your exclusive remedy. In no event shall the Bank or any of our respective officers, directors, employees, agents, subcontractors, or Vendors be liable for any direct, indirect, special, incidental, consequential, punitive, or exemplary damages, including lost profits (even if we are advised of the possibility thereof) arising in any way out of the installation, use, or maintenance of any computer equipment or the Service. However, nothing in this section is intended to limit any rights you may have under federal law or otherwise provided in this Agreement.

**EXCEPT AS OTHERWISE PROVIDED HEREIN, AND SUBJECT TO APPLICABLE LAW, NEITHER WE NOR OUR VENDORS, INCLUDING OUR OR THEIR OWNERS, DIRECTORS, OFFICERS, OR AGENTS, MAKE ANY EXPRESS OR IMPLIED WARRANTIES, REPRESENTATIONS OR ENDORSEMENTS WHATSOEVER WITH RESPECT TO THE SERVICES. WE AND OUR VENDORS EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, WITH REGARD TO THE SERVICES DESCRIBED OR PROVIDED. NEITHER WE NOR OUR VENDORS, INCLUDING OUR OR THEIR OWNERS, DIRECTORS, OFFICERS OR AGENTS, WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE OR ERROR-FREE, OR THAT DEFECTS WILL BE CORRECTED. THE SERVICES ARE PROVIDED ON AN “AS IS” AND “AS AVAILABLE” BASIS.**

NEITHER WE NOR OUR VENDORS, INCLUDING OUR OR THEIR OWNERS, DIRECTORS, OFFICERS OR AGENTS, WARRANT THAT THE WEBSITE OR ONLINE BANKING, OR THE SERVER THAT MAKES THEM AVAILABLE, IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. YOU ASSUME THE ENTIRE COST OF ALL NECESSARY SERVICING, REPAIR, OR CORRECTION OF PROBLEMS CAUSED BY VIRUSES OR OTHER HARMFUL COMPONENTS.

**YOUR USE OF THE SERVICES AND ALL INFORMATION, PRODUCTS AND OTHER CONTENT (INCLUDING THAT OF THIRD PARTIES) INCLUDED IN OR ACCESSIBLE FROM THE SERVICES IS AT YOUR SOLE RISK, INCLUDING THE RISK OF ERRONEOUS AND FRAUDULENT TRANSACTIONS AND THE RISK OF ALL TRANSACTIONS USING YOUR USER ID AND PASSWORD. YOUR LIABILITY FOR THE USE OF ANY SERVICES IS UNLIMITED. YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGE TO YOUR DEVICE / SYSTEM OR LOSS OF DATA. BANK MAKES NO REPRESENTATION OR WARRANTY, WHETHER IMPLIED, TO YOU AS TO ANY HARDWARE, SOFTWARE, OR EQUIPMENT USED IN CONNECTION WITH THE SERVICES (INCLUDING, WITHOUT LIMITATION, YOUR COMPUTER, DEVICE, MOBILE DEVICE OR RELATED EQUIPMENT, YOUR SOFTWARE, OR YOUR INTERNET SERVICE PROVIDER OR ITS EQUIPMENT), OR AS TO THE SUITABILITY OR COMPATIBILITY OF BANK'S SOFTWARE, INTERNET DELIVERED SERVICE, EQUIPMENT OR COMMUNICATION INTERFACES WITH THOSE THAT YOU USE, OR AS TO WHETHER ANY SOFTWARE OR INTERNET DELIVERED SERVICE WILL PERFORM IN AN UNINTERRUPTED MANNER, INCLUDING (BUT NOT LIMITED TO) ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

### **8.3 Indemnification**

You acknowledge that you are personally responsible for your conduct while using the Services. In addition to other indemnification and liability provisions elsewhere in this Agreement, to the fullest extent allowed by law you will indemnify, defend and hold the Bank, its Vendors, Service Providers, including our and their affiliates, partners, officers, directors, employees and agents harmless from and against any and all claims, costs, expenses, and damages of any nature (including but not limited to attorney's fees) arising out of or relating to your, your employees', or agents' use, misuse, errors, or inability to use the Services, our reliance on the information, Instruction and/or authorization provided by you under or pursuant to this Agreement, your failure to report required changes, transmissions of incorrect data to Bank, your violation or breach of this Agreement and/or your breach of applicable laws, rules or regulations.

**The provisions of Sections 8.1, 8.2, and 8.3 shall survive termination of this Agreement.**

### **8.4 Notification Procedures**

Notices from us to you regarding any Service may be in writing delivered to you by first class mail at the address shown in our records, whether or not that address includes a designation for deliver to the attention of any particular individual, hand-delivery, or email, or, if a Service is provided by access to an Internet website, by posting the notice or communication on the website. For purposes of the foregoing, Notice is deemed effective once deposited in the United States mail or when the email is actually sent. We may deliver to you any required disclosures and other notices concerning these Services or your Accounts by e-mail or other appropriate electronic means in accordance with Bank's E-SIGN Disclosure and Consent Agreement.

Immediate notification from you upon discovery of a stolen Security Device (including, without limitation, a User ID, Password, computer, or Mobile Device), is required and should be reported to Locality Bank at 954-799-0900. Notices from you to us regarding any other Service may be delivered by first class mail, hand-delivery, or secure messaging feature offered as a part of the Service.

## **8.5 Governing Law**

You and we agree that our relationship includes transactions involving interstate commerce and that this Agreement is governed by the Federal Arbitration Act. Except as otherwise provided in the Binding Arbitration provision below, this Agreement shall be governed by and interpreted according to U.S. federal law and the laws of the state of Florida except to the extent that this Agreement can and does vary such rules or laws associated with the Services being provided.

## **8.6 Dispute Resolution**

You agree that any disputes between you and the Bank or that relate to arise from this Agreement, or the Service(s) will be resolved exclusively in the state embracing the branch of the Bank at which your Account(s) were opened. The parties agree that such state is the most convenient venue or forum for the resolution of such disputes and such court has jurisdiction over the respective parties.

## **8.7 Waiver of Jury Trial**

YOU AND WE ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING WITH OR HAVING HAD THE OPPORTUNITY TO CONSULT, WITH COUNSEL OF ITS CHOICE, KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY RELATED INSTRUMENT OR ANY OF THE SERVICES OR TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTION OF EITHER OF THEM. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY YOU OR US, EXCEPT BY WRITTEN INSTRUMENT EXECUTED BY EACH PARTY TO THIS AGREEMENT.

## **8.8 Binding Arbitration**

### **Binding Arbitration and Class Action Waiver Notice.**

RESOLUTION OF DISPUTES BY ARBITRATION: THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

### **Agreement to Arbitrate Disputes.**

At our request or your request, a dispute concerning the terms of this Agreement, your Account, and/or the Services will be decided by binding arbitration under the commercial arbitration rules of the American Arbitration Association. You are free to terminate your relationship with us if you don't agree with these terms. If you continue to use your deposit Account, arbitration will apply to all disputes, whether they arose in the past or arise in the future.

### **No class Action or Joinder of Parties.**

YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your Account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

### **Disputes Covered by Arbitration.**

YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL. If arbitration is elected by either party, a claim or dispute relating to this Agreement or arising out of your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after your receipt

of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability or interpretation of any of these arbitration provisions. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to your Accounts, including, without limitation, disputes regarding any of the Services described herein. Disputes include not only claims made directly by you, but also made by anyone connected with you or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Bank, but also its parent, affiliates, successors, assignees, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, crossclaims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If a party initiates a proceeding in court regarding a claim or dispute which is included under this arbitration provision, the other party may elect to proceed in arbitration pursuant to this arbitration provision, and the party initiating such proceeding in court will not challenge the other party's motion to compel arbitration or similar action and shall take all reasonable actions to dismiss or stay the proceeding in court until the arbitration is complete.

**Disputes Excluded from Arbitration.**

Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this arbitration provision. Claims or disputes arising under any loan agreement or loan document between you and the Bank or from your status as a borrower under any said loan agreement or loan document with the Bank is also excluded from this arbitration provision.

**Commencing an Arbitration.**

The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If you initiate the arbitration, you must notify Us in writing at:

Locality Bank  
1400 South Andrews Avenue  
Fort Lauderdale, Florida 33316

If we initiate the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

American Arbitration Association  
1-800-778-7879 (toll-free)  
[www.adr.org](http://www.adr.org)

JAMS  
1-800-352-5267 (toll-free)  
[www.jamsadr.com](http://www.jamsadr.com)

The arbitration shall be conducted in the same city as the U.S. District Court closest to your home address unless the parties agree to a different location in writing.

**Administration of Arbitration.**

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years' experience or a retired or former judge selected in accordance with the rules of the arbitration

forum. The arbitrator shall follow procedures and rules of the arbitration forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this arbitration provision, in which case this arbitration provision will prevail. Those provisions and rules may limit the discovery available to you or us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At your or our request, the arbitrator shall issue a written, reasoned decision following applicable law and relief granted must be relief that could be granted by the court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

#### **Costs.**

The party initiating the arbitration shall pay the initial filing fee. If you file the arbitration and an award is rendered in your favor, we will reimburse you for your filing fee. If there is a hearing, we will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that you cannot afford to pay them or finds other good cause for requiring us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

#### **Right to Resort to Provisional Remedies Preserved.**

Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of offset or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

#### **Arbitration Award.**

The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

#### **Governing Law.**

You and we agree that our relationship includes transactions involving interstate commerce and that these arbitration provisions are governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the Florida shall apply.

#### **Severability, Survival.**

These arbitration provisions shall survive (a) termination or changes to your Accounts or any related Services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related Services. If any portion of this arbitration provision is deemed invalid or unenforceable, the remainder of this arbitration provision shall remain in force. No portion of this arbitration provision may be amended, severed, or waived absent a written agreement between you and us.

#### **Applicability.**

Arbitration will not apply to your Account as long as you are an active duty Servicemember under the Military Lending Act or Servicemembers Civil Relief Act.

### **Right to Reject this Arbitration Provision.**

YOU MAY CHOOSE TO REJECT THIS RESOLUTION OF DISPUTES BY ARBITRATION PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:

Agreement to the Binding Arbitration provision:

1. If you agree to be bound by the above arbitration provision, then no action is needed on your part.
2. If you take no action, then effective immediately your Accounts will be bound by this arbitration provision.

Rejection of the arbitration provision:

1. If you do not agree to be bound by this Binding Arbitration provision, you must send us written notice that you reject the arbitration provision within 30 days of receiving this notice, including the following information:

a. Your written notice must include: your name, as listed on your Account, your Account number, and a statement that you reject the arbitration provision, and;

b. You must send your written notice to Us at the following address:

Locality Bank  
1400 South Andrews Avenue  
Fort Lauderdale, FL 33316

### **8.9 Miscellaneous**

You may not assign this Agreement or any of the rights or duties hereunder without our written prior consent. We shall have the right at any time to assign its rights under this Agreement to another financial institution that is an affiliate of the Bank, or to any other entity or institution with which the Bank may merge or transfer or share substantially all of its assets, in which case such affiliate, entity or institution shall be substituted for the Bank. No waiver by the Bank (whether or not in writing) of any term, condition, or obligation of you under this Agreement shall bind the Bank to waive the same term, condition, or obligation again, nor shall any other provision, condition, term, or obligation hereof be affected by such a waiver. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns (where permitted). This Agreement is not for the benefit of any other person, and no other person shall have any right against us or you hereunder. In the event that any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law. The headings and captions contained in this Agreement are included only for convenience of reference and do not define, limit, explain or modify this Agreement or its interpretation, construction, or meaning. Customer and Bank acknowledge and agree that relationship between Bank and Customer is that of an independent contractor and this Agreement does not establish or create general agency, joint venture, partnership, or employment relationship between them. The provisions of this Agreement, which by their nature should survive expiration or termination of this Agreement shall survive.

### **8.10 Additional Limitations**

Additional limitations may be contained in this Agreement. Your ability to initiate transactions may also be limited by the terms of the Other Agreements you have with the Bank or by applicable law.

### **9. Changes in Terms and Other Amendments**

We may amend this Agreement, and/or alter, change, or modify the Services provided under the terms of this Agreement or any supplemental agreement at any time in our sole discretion. Any such change will be effective as of the date we establish or as required by Applicable Law. We will notify you of any such changes by posting the amended Agreement on our website along with a notice that this Agreement has been amended, or by another other reasonable method. For any change that would (i) increase the fees we charge, (ii) increase your liability, (iii) limit the types of payments or transfers or the dollar amounts or frequency of such payments or transfers, we will provide you such notice in advance of the effect date of such changes of at least equal to the lesser of: (i) notice period required in the Applicable Law or (ii) (30) days. Your continued use of the Services shall constitute your agreement to such amendment. In addition, the Bank may revise or update the programs, Services, and/or related material, which may render all such prior versions obsolete. Consequently, the Bank reserves the right to terminate this Agreement as to all such prior versions of the programs, Services, and/or related materials.

## **10. Terminating Your Online Banking Services**

Your Services will remain in effect until they are terminated by you or the Bank. You may terminate your Service at any time by notifying us of your intent to cancel in writing, through Online Banking secure mail or by calling us 954-799-0900. You must notify us at least ten (10) Business Days prior to the date on which you wish to have your Services terminated. Termination of your Services does not terminate your Bank accounts. If you have scheduled payments with a transaction date within this ten (10)-Business Day period, you also must separately cancel those payments. We recommend that you cancel any scheduled payments and transfers, including One-time Transfer and Recurring Transfers, prior to notifying us that you are discontinuing the Service. You are solely responsible for ensuring each of your payments are made in a timely manner. The Bank will cancel any scheduled payments and transfers upon request from you to discontinue the Service. If you close your Account, or if it's no longer linked to the Service any unprocessed payments may be canceled.

We may terminate your participation in Services for inactivity or the lack of logging on to the Service for 90 days or longer without advanced notice. We may terminate your use of the Services, in whole or in part, at any time and for any reason without prior notice. Your access to the Services will be terminated automatically if your Account is closed, or access to your Account is restricted, or for any reason. If you would like to transfer the Services to a different Account with us, you must provide seven (7) Business Days advance written notice. Termination will not affect your liability or obligations under this Agreement for transactions we have processed on your behalf. As long as you do not terminate Services, you may terminate any of the supplemental Services without terminating this entire Agreement. We reserve the right to unilaterally suspend or terminate your access to the Services in the event there is any incident involving fraud, suspected fraud, or similar conduct in connection with the Services.

## **11. Entire Agreement**

This Agreement, together with the Other Agreements, is the complete and exclusive statement of the agreements between the Bank and you with respect to the subject matter hereof and supersedes any prior agreement(s) between the Bank and you with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement and the Other Agreements, the terms of this Agreement shall govern with respect to the subjects contained herein. In the event performance of the Services provided through Online Banking in accordance with the terms of this Agreement would result in a violation of any present or future statute, regulation, or government policy to which the Bank is subject, and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation, or policy, and the Bank shall incur no liability to you as a result of such violation or amendment. No course of dealing between the Bank and you will constitute a modification of this Agreement, the rules, or the Security Procedures, or constitute an agreement between you and the Bank regardless of whatever practices and procedures the Bank and you may use.

## **12. Data Review**

You have sole responsibility for confirming the accuracy and validity of all information, data, entries, and processing services prepared by us and delivered to you in connection with any Service. You agree to carefully review all records and other information provided or made available to you by us and to report any discrepancies within 30 days of your statement date. For purposes of this section, "discrepancies" include, but are not limited to, missing deposits; missing, stolen or unauthorized checks or other withdrawal orders; checks or other withdrawal orders bearing an unauthorized signature, endorsement, or alteration; illegible images; encoding errors made by you or us; and counterfeit. Your failure to promptly report to us within such specified time the existence of any discrepancies in any record or other information constitutes your acceptance of the record or other information as valid and accurate and shall preclude you from asserting against Bank any claims arising from or any loss caused by the discrepancy.

### **12.1 Errors and Questions**

We report your Online and Mobile Banking transactions on the monthly statements for your linked Accounts. A description of each transaction, including whom you paid, and the date and amount of the transaction will appear on your statement. Your duty to report unauthorized transactions, alterations or any other error with reasonable promptness is outlined in your Deposit Account Agreement. You may also view Account activity online.

Contact us immediately if you think:

- Your statement or transaction record is wrong
- You need more information about a transaction listed on your statement
- An unauthorized person has discovered your Online Banking credentials
- Someone has transferred or may transfer money from your Account without your permission
- Online Bill payment transactions have been made without your authorization

To initiate a payment inquiry, you may use Online Banking services to send a message request via secure email. Or you may contact the Bank by calling 954-799-0900 or email us at support@localitybank.com.

## **12.2 Error Resolution Notice (for Consumer Accounts)**

The provisions of this Section 12.2 are only applicable to online electronic fund transfers<sup>1</sup> that credit or debit a consumer's checking, savings or other asset account and are subject to the Regulation E. When applicable, the Bank may rely on any exceptions to these provisions that are contained in Regulation E. All terms that are not defined in this Agreement, but which are defined in Regulation E shall have the same meaning when used in this Section.

In case of errors or questions about your electronic transfers, call us at 954-799-0900 or write us at LOCALITY BANK, 1400 SOUTH ANDREWS AVENUE, FORT LAUDERDALE, FL 33316, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days of your statement date, regardless of how we make your statement of account available to you on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will tell you the results of our investigation 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 45 days to investigate the complaint or question. If we decide to do this, we will re-credit your account within ten (10) business days for the amount you think is in error so that you may have the use of the money during the time it takes us to complete our investigation. You will reimburse us for the amount of the re-credit immediately upon billing if we subsequently determine there was no error. 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 re-credit your account.

If we decide there was no error, we will mail you a written explanation within three (3) business days after we finish the investigation. You may ask for copies of documents which we used in our investigation.

If you tell us within two (2) business days after you discover your log on credentials have been lost or stolen, you can lose no more than \$50.00 if someone uses your log on without your permission. If you do not tell us within two (2) business days after you learn of the loss or theft of your credentials, you could lose as much as \$500.00.

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<sup>1</sup> The term "electronic fund transfer" means any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer's account (Regulation E includes specific exclusions for business accounts). The term includes but is not limited to: (i) Point-of-sale transfers; (ii) Automated teller machine transfers; (iii) Direct deposits or withdrawals of funds; (iv) Transfers initiated by telephone; and (v) Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal.

## II. SERVICE TERMS AND CONDITIONS

### 1. Online Banking Services

You may use Services to check the balance of your deposit and loan Accounts. You also may view recent transactions, online bill payments, or funds transfers using the Account Information Services. The balance displayed by Online Banking or Mobile Banking may include deposits still subject to verification by us. The transactions and balance shown also may differ from your records because it may not include deposits in progress, check card authorizations, outstanding checks, or other withdrawals, payments, or charges.

If you access Online Banking through Personal Financial Management (PFM) software, or another indirect service, all of the features of Online Banking may not be available, including, but not limited to, transfers, online bill payment and presentment. To access all of the features and Services, sign in directly through our web site at [www.LocalityBank.com](http://www.LocalityBank.com). Within Online Banking, you can also access additional optional services.

When an Account is linked to the Services, it does not change the Other Agreements you already have with us or for that Account and you are still subject to the terms and conditions we gave you in the Other Agreements for the Account. The terms and conditions for the Other Agreements, including any applicable fees, transaction limitations, liability rules and other restrictions that might impact your use of an Account with the Services, are incorporated into this Agreement. In the event of any conflict between this Agreement and any of the Other Agreements, this Agreement will control with respect to the subjects contained herein.

### 2. Transfers

#### 2.1 Internal Transfers

One-time Transfers, scheduled (future payment) and Recurring Transfers can be made from a personal or business Bank checking, savings, or money market account to most linked personal or business Bank accounts, including loan accounts. Transfers from a deposit Account are immediately reflected in the Account's available balance on the date of the transfer. Transfers scheduled for a weekend, or a non-Bank Business Day will be processed on the next Business Day. All other scheduled and Recurring Transfers will be processed from the funding account at the beginning of the Bank Business Day requested. Funds transferred to a deposit account prior to 5:00 p.m. ET on a Bank Business Day will appear with the same day's date in the deposit account transaction history. Transfers to a Bank deposit account made after 5:00 p.m. ET as described above on a Bank Business Day but before 11:59 p.m. may be included in the balance we use to pay transactions that night. This process may impact when fees apply to your account. Please note that although these transfers are included in the balance, we use to pay transactions that night, they may appear with our next Bank Business Day's date in the deposit account transaction history resulting in overdraft fees. Funds transferred as a payment to a line of credit, or other loan account will be credited the next Bank Business Day after the date the payment is submitted. Please note, transfers to any deposit account on a Saturday, Sunday, or bank holiday, will appear with our next Bank Business Day's date in the deposit account transaction history. Scheduled and Recurring Transfers between linked Locality Bank accounts can be for any amount available including overdraft protection balances, in the debit account at the time of the scheduled transfer. Recurring Transfers are those made for the same amount, on the same date, on a weekly, bi-monthly, monthly basis, etc. Once started, Recurring Transfers will be made automatically until you delete the Transfer or upon expiration. If the transfer is not a Recurring Transfer, it will be a One-time Transfer. Onetime Transfers do not recur and are not made until you enter the to and from Accounts, amount, and the date which you would like the transfer to occur.

In addition, under your Account Agreement, you are limited to six (6) transfers per calendar month or statement cycle from your money market account and you may be charged a fee for each transaction in excess of these limits. There are no fund limits for internal transfers between your accounts. See your Account Agreement for additional details.

#### 2.2 External Transfers

One-time Transfers scheduled and Recurring Transfers can be made from a linked Bank checking or money market account to most linked non-Bank deposit accounts that are owned by you at other financial institutions. No transfers may be made to payees outside the United States.

You will need to add the non-Bank account in order to use that account for this Service. You agree that you will only attempt to add non-Bank personal accounts that you own or for which you have the authority to transfer funds. The process to add a non-Bank account is a self-service process using small dollar transaction verifications.

External transfers from a Bank deposit account are processed at the end of each Bank Business Day. Transfers scheduled for a weekend, or a non-Bank Business Day will be processed on the prior Bank Business Day.

Funds transferred from a deposit account prior to 5:00 p.m. ET on a Bank Business Day will appear with the same day's date in the deposit account transaction history. Transfers from a Bank deposit account made after 5:00 p.m. ET will be processed on the next Bank Business Day.

Once started, Recurring Transfers will be made automatically until you delete the Transfer or upon expiration. One-time Transfers do not recur and are not made until you enter the to and from Accounts, amount, and the date which you would like the Transfer to occur.

### **2.2.1 Limitations and Dollar Amounts for External Transfers**

External transfers (Outbound A2A and Inbound A2A) made using Services are subject to the following limitations: External transfers can be made up to \$10,000 (\$500 for new accounts for first 90-days). The daily maximum for all external transfer is \$10,000 (\$500 for new customers for the first 90-days), Maximum weekly amount is \$50,000 (\$3,500 for new accounts for first 90-days), and the monthly maximum for all external transfers is \$75,000 (\$10,000 for new accounts for first 90- days). The funds for any outgoing external transfer must be available in the current balance of the transfer from the Account at the time the transfer is scheduled. At our discretion we may refuse to process any transaction that exceeds any of the above limits. In this case, you are responsible for making alternate arrangements to move the funds from one account to the other.

In addition, under your Account Agreement, you are limited to six (6) transfers per calendar month or statement cycle from your savings account or money market account and you may be charged a fee for each transaction in excess of these limits. See your Account Agreement for additional details.

### **2.2.2 Fees for External Transfers**

There is no fee to transfer funds into a Bank deposit account.

### **2.2.3 Delivery Times for External Transfers**

External transfers take 2 to 4 Bank Business Days to complete. If you are sending funds from a Bank account to an account at another financial institution your Account at the Bank will be debited on the transfer from date. It may take 2 to 4 Bank Business Days for your account at the other financial institution to credit the funds.

If you are debiting funds from an account at another financial institution for credit at an Account at the Bank you may see the funds "in process" when you view your Account transaction history online for several days. The funds will not be reflected in your available balance while they are "in process". Using these funds while they are "in process" may cause you to incur non-sufficient funds (NSF), returned item, overdraft, or similar fees. Please refer to the applicable Deposit Account Agreement and Account Fees & Service Charges disclosure for details.

The Bank is not responsible for any failure of another financial institution to act in a timely manner. As a result, the Bank cannot guarantee the timely delivery or return of funds as a result of the failure of another financial institution to act in a timely manner.

## **2.3 Canceling Transfers**

An immediate One-time Transfer to another Bank account (internal transfer) cannot be cancelled after it has been submitted in Online Banking. A same day One-time Transfer to an account at another financial institution (external transfer) can be canceled up to 5:00 pm ET on the transfer date. A future One-time Transfer or Recurring Transfer (either internal or external) can be canceled prior to 5:00 pm ET on the Bank Business Day prior to the date the transfer is scheduled to be made. If the transfer's status is In Process or Processed, you can no longer cancel it. After you cancel a future-dated transfer the status of the transfer is changed to Canceled.

### **2.4 Our Liability for Failure to Cancel or Stop the Transfer**

If you attempt to cancel a transfer in accordance with the above Instructions and are unsuccessful, we will not be liable for any losses or damages but will work with you to reverse the transaction to the extent we are able however the final decision to reverse the transaction lies with the recipient of the funds. If an unauthorized transfer has been made from your Account which is a consumer account, you may be entitled to certain protections under Regulation E.

### **2.5 Person to Person Payment Service**

Person to Person (P2P) is available through Online Banking or Mobile Banking. P2P is a Service that allows you to send funds to individuals using only their email address or mobile phone number.

P2P is provided to you and is governed by and subject to the terms and conditions set forth in the Person to Person Payment Service Agreement, which you must agree to when you begin to use P2P, in addition to the terms and conditions set forth in your Account Agreements and this Agreement. Recipients of funds via P2P can claim their funds through the online banking sites of financial institutions that offer personal payments using P2P. You may electronically schedule payments using the P2P Service. For the P2P Service, the amounts paid from your Accounts cannot be more than \$2,500 each (\$500 for new customers for first 90-days) or the total of all transactions cannot exceed \$10,000 per day (\$500 for new customers for first 90-days), or a maximum weekly amount of \$25,000 (\$3,500 for new customers for first 90-days) and maximum monthly amount of \$50,000 (\$10,000 for new customers for first 90-days). By using P2P, you agree (i) to comply with the Person to Person Payment Service Agreement regarding funds payments using the P2P Service; and (ii) that your remedies are limited to those available to you under the terms of your Account Agreements, the Electronic Fund Transfers Act, and this Agreement. At our discretion, we may refuse to process any payment that exceeds any of the above limits. In the case of a refused payment, you are responsible for making alternative arrangements or rescheduling the payment or payment within the P2P Service. The Person to Person Payment Service Agreement may be changed by the Bank from time to time. In such event, the Bank will provide you notice. Any use of the P2P Service after you have been provided notice of a change will constitute your agreement to such change(s). Further, the Bank may revise or update the P2P Service and/or any related documentation and materials from time to time. The Bank has the right to terminate the P2P Service at any time without notice.

### **3. Online Bill Pay**

To use Online Bill Pay, you must provide us with the name and address of the payee (i.e., the person you want to pay), your account number with that payee and any other information we require to properly debit your Account with us and credit your account with the payee. If your account number or any other information changes, or if you wish to add or delete payees, you must provide us with these changes prior to the date the payment is scheduled to be made. Any obligations that you wish to pay through Services with Online Bill Pay must be payable in U.S. dollars to a payee located in the United States. We work with payees to encourage them to accept an electronic or check payment. If we are unsuccessful, or if we believe that the payee cannot process payments in a timely manner, we may decline to make future payments to this payee. In the unlikely event that this occurs, we will notify you. We may refuse to make payments to certain payees at our sole discretion and to payees that choose not to participate in these Services. We reserve the right to restrict categories of payees to whom payments may be made using the Service. You agree that any payment for taxes, payments that are court-ordered, government payments and payments outside of the United States are prohibited and you agree that you will not attempt to use the Service to make these types of payments. When you create a new payee in Online Bill Pay, it has a temporary status until we have had sufficient time to set up the account. You should schedule a first-time payment to a new payee at least five (5) Business Days before any Payment due date, to allow us time to set up the payee and verify information about your account with the payee. There is no limit on the number of payees or payments that may be authorized. However, the Bank reserves the right to impose limits at some future date, with proper written notice.

#### **3.1 Scheduling Online Bill Payments**

Although you can enter Payment information twenty-four (24) hours a day, seven (7) days a week, the Bank only initiates payments on Bank Business Days. We will process an Online Bill Payment on the same Bank Business Day as your Instructions indicate, so long as the request is posted before 5 PM. If you schedule an Online Bill Payment for a future date, we will process the transaction on that date if that day is a Bank Business Day. If the date you request for a future Online Bill Payment is not a Bank Business Day, we will process the transaction on the Bank Business Day immediately following the date you have requested. If you schedule a recurring Online Bill Payment and the payment date does not exist in a month, the payment will be processed on the last Bank Business Day of that month. Payments can be entered as a one-time transaction up to a year in advance, Recurring Payments or as payments that are automatically scheduled upon the receipt of an electronic bill (e-Bill). If a payee on a check fails to negotiate the check within 90 days, the Bank will stop payment on the check and re-credit your Account for the amount of the payment. If a check is returned to you prior to the end of the 90-day period, please inform us immediately so that we can stop payment on the check and re-credit your Account. Once started, Recurring Payments will be made automatically until you delete the Payment or upon expiration. If the Payment is not a Recurring Payment, it will be a "One-time Payment". One-time Payments do not recur and are not made until you enter the payee and amount of the current bill and submit the Payment.

### **3.2 Limitations and Dollar Amounts for Online Bill Payments**

Online Bill Payments made using Services are subject to the following limitations: Personal Online Banking Bill Payments can be for any amount up to \$10,000 (\$3,500 for new accounts for the first 90-days), a daily maximum for all Payments is \$25,000 (\$5,000 for new accounts for the first 90-days), and monthly maximum for all Payments is \$100,000 (\$3,500 for new accounts for the first 90-days).

In addition, under your Account Agreement, you are limited to six (6) transfers per calendar month or statement cycle from your money market account and you may be charged a fee for each transaction in excess of these limits. See your Account Agreement for additional details.

### **3.3 How Online Bill Payments are delivered**

Online Bill Payments are processed either through an electronic transmission to the payee or by check drawn on a designated Account and mailed to the payee. Payees who receive electronic delivery will receive your payment information, including your account number with the payee. All checks are sent through the U.S. mail. Payments made with checks are generally received and credited by most payees within five (5) Bank Business Days. If we receive any payment Instructions from a payee, we may follow those Instructions to help ensure that the Payment is received by the payee and promptly credited to your account. To help ensure that your Payments arrive on time, you must schedule your Payments to be processed at least five (5) Bank Business Days before the payment due date (that is, the due date shown on your invoice or provided in your agreement with the payee, not considering any applicable grace period) and have adequate funds available. If you do not, or if for any reason your account is not in good standing, you will be fully responsible for all late fees, interest charges or other action taken by the payee. Nor will the Bank be responsible for any opportunity lost injuries due to a late payment.

### **3.4 Canceling Online Bill Payments**

An Online Bill Payment can be cancelled on the send on date up to the time the Payment has an In-Process status. Once the Payment is In-Process it cannot be cancelled.

Future-dated and Recurring Payments can be canceled prior to 5 PM ET on the Bank Business Day prior to the date the Payment is scheduled to be made. If the Payment's status is In-Process or Processed, you can no longer cancel it. After any Payment is cancelled, the status changes to Canceled. A stop payment cannot be placed on an Online Bill Payment transaction once issued. However, a stop payment can be placed on an Online Bill Payment transaction check until the item has been paid. There is no fee for deleting a Payment initiated through Online Bill Payment; however, a fee may apply for a stop on an Online Bill Payment check.

### **3.5 Our Liability for Failure to Cancel or Stop the Online Bill Payment**

If you attempt to cancel an Online Bill Payment in accordance with the above Instructions and are unsuccessful, we will be not liable for any losses or damages but will work with you and the payee to reverse the transaction to the extent we are able; however, the final decision to reverse the transaction lies with the recipient of the funds. If an unauthorized Online Bill Payment has been made from your Account which is a consumer account, you may be entitled to certain protections under Regulation E.

### **3.6 e-Bills**

e-Bills are a feature of the Online Bill Pay service that enables you to receive bills electronically from participating payees. Participating payees establish their own criteria for reviewing requests to deliver e-Bills and have sole discretion to accept or decline your Request. We do not participate in this decision. Participating payees generally take up to forty-five (45) Bank Business Days to approve an e-Bill set-up Request. In some cases, we obtain the e-Bill from the web site of the payee. To do so, we will ask you for information needed for this purpose, such as any required Password. When you provide this information, you authorize us to access the third-party web site to retrieve the account information on your behalf, and you appoint us your agent for this limited purpose. We take no responsibility, and we shall have no liability if a payee does not provide the necessary data to forward an e-Bill in a timely manner. If you do not receive a bill, it is your responsibility to contact the payee directly. We are not responsible for any late charges or other adverse consequences. Any questions regarding your bill details should be directed to your payee. All parties have the right to cancel the service at any time. We will notify you if Locality Bank discontinues/stops e-Bills. If you request that an e-Bill be discontinued, we require seven (7) Bank Business Days for the payee to receive and process the Request. When you establish e-Bills with a participating payee you will provide certain information that will be forwarded onto the payee to complete your enrollment. If you have concerns about the future use of this information you should contact your payee directly.

### **3.7 Transfer/Payment Authorization and Sufficient Available Funds**

You authorize the Bank to withdraw, debit or charge the necessary funds from the designated Account in order to complete all of your designated transfers and Payments. You agree that you will instruct us to make a withdrawal only when a sufficient balance is or will be available in your Accounts at the time of the withdrawal. The completion of a transfer or Payment is subject to the availability of sufficient funds (including any overdraft protection plans if applicable) at the time the transaction is posted. If enough funds to complete the transfer or Payment are not available, we may either (i) complete the transaction and overdraw the Account or (ii) refuse to complete the transaction. In either case, we may charge an OD Charge, returned item, uncollected, or similar fee. Please refer to the applicable Deposit Account Agreement and Account Fees & Service Charges disclosure for details. If a transfer or Payment is to be made electronically and your Account does not have sufficient funds to make a Payment as of the time the transfer or Payment is attempted or scheduled to be made, the transfer or Payment may be canceled. However, at our option, we may make a further attempt to issue the Payment or process the transfer Request. The Bank is under no obligation to inform you if it does not complete a payment or transfer because there are non-sufficient funds or credit in your account to process the transaction. In this case, you are responsible for making alternate arrangements or rescheduling the Payment or transfer within Online Banking. In case of recurring Payments or transfers, only the Payment or transfer currently scheduled may be canceled. Recurring Payments or transfers schedule for future dates will not be affected.

### **3.8 Our Liability for Failure to Complete Transfers and Payment Instructions**

We, our Service Providers or a third party acting as our agent, are responsible for completing fund transfers and Online Bill Payments from your Account(s) on time and according to your properly entered and transmitted Instruction. 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 not be liable for your losses and damage. In addition, neither we, nor the Service Provider will be liable:

- If you do not have adequate money in a deposit Account to complete a transaction from the Account, or if that Account has been closed;
- If you have not properly followed Service or Payment Instructions on how to make a transfer or Online Bill Payment;
- If you have not timely given complete, correct, and current Instructions so that a transfer or Online Bill Payment can be made
- If you do not authorize an Online Bill Payment soon enough for your Payment to be made and properly credited by the biller by the time it is due;
- If the transfer Request is not in accordance with the current OFAC rules and regulations;
- If the transfer would cause your balance to go over the credit limit of an established credit line of credit or the credit limit for any credit arrangement set up to cover overdrafts;
- If a timely transfer or Online Bill Payment is made but the biller/ agent nevertheless does not credit your transfer or Payment promptly after receipt;
- If withdrawals from any Eligible Accounts have been prohibited by a court order such as a garnishment or other legal process;
- If we or our agent reasonably believes that a transaction may be unauthorized and based thereon the transaction is not completed;
- If your Equipment and/or the Service were not working properly when you attempted to authorize a transfer or Online Bill Payment;
- If circumstances beyond our, our Service Provider's or our agent's control prevent making a transfer or Payment, despite reasonable precautions that we have taken. Such circumstances include but are not limited to device failure, telecommunication outages, postal strikes and other labor unrest, delays caused by billers, fires, floods, and other natural disasters: There may be other exceptions to our liability as stated in the General Terms and Conditions of this Agreement and your Account Agreement.

The list of examples set out in this paragraph is meant to illustrate circumstances under which we would not be liable for failing to make a transfer or Payment and is not intended to list all of the circumstances where we would not be liable.

## **4. Online Statements**

The provisions of this section are applicable to activation for the Bank e-statement service and as subject to the E-Sign Disclosure. You will automatically receive online statements for your accounts.

The E-SIGN Disclosure and Consent Agreement also applies to other types of communication from the Bank, including account disclosures, notices, alerts, etc.

If you select and activate this option, you must then log on to the Bank's secure Online Banking web site using your Online Banking log on credentials to review the new statement. As a convenience to you, we provide you with an e-mail notice that your statement is available for viewing. You must specify the e-mail addresses to receive such notices when activating this Service for your Accounts. We do not guarantee delivery of such email notice and reserve the right to cancel such e-mail notice at any time. Regardless of your receipt of e-mail notice, you agree that our posting of the statement at the Online Banking web site constitutes delivery of the statement to you. **Your receipt of e-statements does not in any way alter your obligation to promptly review your e-statements as set forth in the Other Agreements. You must promptly access or review your e-statements and any accompanying items and notify us in writing immediately of any error, unauthorized transaction, or other irregularity.** If you allow someone else to access your e-statement, you are still fully responsible for reviewing the e-statement for any errors, unauthorized transactions, or other irregularities. All provisions as set forth in the applicable Account Agreement, terms and conditions, and loan agreements shall continue to apply. You agree to log on to the Online Banking web site at least once a month to review your statements.

In order to deliver notifications of new statements, you must update us with any change in your e-mail address. You can change the e-mail address for the statement notification at any time. The Bank is not responsible for e-mail delivery failures beyond our control, including, but not limited to, Internet service provider outages, hardware or software failures, and interruption of telephone service, telecommunications facilities, or interference from an outside source. Depending upon your email spam filter, you may wish to add [support@localitybank.com](mailto:support@localitybank.com) to your e-mail address book.

A PDF version of the statement will be made available. Some marketing and promotional materials may not be available with the online statement. Your statement will remain available online for up to seven years. You may also print the statements or download to your own system. The PDF version of the statement will be the legal statement of record. Adobe Reader is required to view and print the legal copy of the statement. Adobe Reader is available for download free of charge at <http://www.adobe.com/>. Please note that we are not responsible for the performance of any third-party software or for any damage to your device or other equipment caused by the installation of any third-party software.

If the Account(s) for which you wish to receive online statements Service has multiple authorized signers, you agree that transmission of any e-mail notice to the e-mail address that have been supplied for that Account constitutes fulfillment of our notification obligations (if any) on behalf of all Account signers. The consent of a single Account signer to this Agreement constitutes the consent of all joint Account holders and authorized signers and is sufficient to activate e-statements for the Account. By viewing the online statement of a previously activated Account, you agree to the terms and conditions of this section.

The Bank reserves the right to terminate the electronic delivery of the online statement at its sole discretion. If electronic delivery of the statement ceases, then paper statement delivery will resume to the Account address we have on record. It is your responsibility to keep your address up to date with us at all times. We are not liable if a statement is mailed to an incorrect address.

By accepting this Online Banking Agreement when you sign on to Online Banking using your log on credentials, and then activating one or more of your Accounts for online statement delivery, you consent to the electronic delivery of your periodic statements including any check images you may currently receive, along with account disclosures, notices, etc. By taking such actions, you consent to the terms of the e-statement terms and conditions as provide in this Agreement, as they may be modified from time to time.

You may cancel your consent and again receive paper statements at any time by selecting 'Statements' and 'Change Your Statement Delivery Method' within Online Banking, then changing the selected delivery preference from online to paper. You may request a paper copy of any statement by contacting us at 954-799-0900.

#### **4.1 Download / Export Capabilities**

If you elect to do so at your own risk, you may download specific information into Intuit® products and other software applications, in CSV, QIF, and Money® formats. It is your responsibility to obtain a valid and separate license agreement with the software application provider. You understand and agree that:

1. The information you download is for tracking purposes only and should not be considered an official record. Statements generated by Bank are the sole official record of Account transactions, positions, and balances.
2. The Account information will not reflect banking or financial activities and transactions that have not yet been completed and will only reflect the Account information at the time that you download the information.

3. It is your responsibility to update your downloaded Account information to your software application.
4. Bank is not liable for any loss, damages, or expenses of any kind as a result of your reliance upon the downloaded information in your software application.
5. You may authorize third parties to have access to your Accounts and download information for financial management purposes.
6. We are not providing, and you will not rely on us to provide, any legal, tax, accounting, or other advice or counsel in connection with your Account(s) or use of the Services, and we do not represent or warrant that your use of any of the Services, including without limitation any alerts, transfers to accounts or individuals, budgeting, transfers, Bill Payment, Account history, or Account statements will qualify for or receive any favorable or desirable tax treatment, or eliminate or replace the need for you to monitor the use of your Account and history of transactions in your Account for appropriate recordkeeping of deposits and withdrawals and to monitor for errors or fraud. You also agree and acknowledge that no statement, data, message, alert, or other matter connected with your use of the Services overrides or supersedes the preceding sentence. In these regards, you should seek the advice of competent legal, tax, accounting, and other counsel regarding your use of the Services and related matters. IN NO EVENT WILL WE HAVE LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, INCIDENTAL, OR INDIRECT LOSS OR DAMAGE WHETHER OR NOT ANY CLAIM FOR SUCH DAMAGES IS BASED ON TORT OR CONTRACT OR WE KNEW OR SHOULD HAVE KNOWN THE LIKELIHOOD OF SUCH DAMAGES IN ANY CIRCUMSTANCES.

#### **4.2 Transmission and Storage**

You agree and understand that:

1. You assume all risk for the possibility that any Account information you download and store in your software application may be accessed by unauthorized third parties;
2. If you send the information in a manner that is not secure, or if you take the Account information out of Bank's secure platform by downloading it, Bank is no longer responsible for the security and confidentiality of that information, and the responsibility becomes solely yours (or may be shared with others, such as your software application provider); and
3. The Bank is not responsible for the security and confidentiality of the Account information if you: (i) use wireless connections to download your Account information, in which case you acknowledge such connection may permit other persons to access the information being downloaded; or (ii) allow other persons access to your software application.

You agree that any Account information that you download is processed at your own risk and you are solely responsible for any damage that might occur to the computer (or other electronic device) to which you download any information, or any loss or corruption of data that might occur as a result of the downloading or its storage in an electronic device.

#### **5. Online Banking Alerts**

We provide Automatic Security Alerts and Voluntary Account Alerts (collectively the "Alerts") via email or text messages through a Mobile Device.

Automatic Alerts are sent to you via email following important Account activities or when certain changes are made online to your Online Banking account, such as a change in your email address, telephone number, User ID, or Password. You do not need to activate these alerts. We automatically activate them for you.

Voluntary Account Alerts must be activated by you. Voluntary Account Alerts allow you to choose alert messages for your Accounts. Each alert has different options available, and you will be asked to select from among these options upon activation of your alerts service.

Both Automatic Alerts and voluntary Account Alerts are subject to the following: We may add new Automatic and voluntary Account Alerts from time to time or cancel old alerts. We usually notify you when we cancel alerts but are not obligated to do so. Alerts will be sent to the email address you have provided. You can also choose to have alerts sent to a secondary email address and in some cases a Mobile Device that accepts text messages. To change your delivery preferences, log into the Service and visit Settings > Alerts. To stop text messages, you can also text "STOP" to end, or "HELP" for support. If your email address or your mobile phone number changes, you are responsible for informing us of that change. While the Bank does not charge for the delivery of the Alerts, please be advised that text or data charges or rates may be imposed by your carrier. Changes to your primary, secondary email addresses and mobile phone numbers will apply to all of your Alerts.

You understand and agree that your Alerts may be delayed or prevented by a variety of factors. We do our best to provide alerts in a timely manner with accurate information. We neither guarantee the delivery nor the accuracy of the contents of any Alert. You also agree that we shall not be liable for any delays, failure to

deliver, or misdirected delivery of any Alert; for any errors in the content of an Alert; or for any actions taken or not taken by you or any third party in reliance of an Alert. Because Alerts are not encrypted, we will never include your Password or full Account number. However, Alerts may include your name and some information about your Accounts. Depending upon which Alerts you select, information such as your Account balance may be included. Anyone with access to your email or text messages will be able to view the contents of these Alerts.

## **6. Fees and Other Charges**

In addition to our rights under applicable law and your Account Agreements, we may deduct fees, overdrafts, and other amounts you owe us (including, but not limited to, transaction amounts from returned transactions) under this Agreement from your Accounts with us or our affiliates except as prohibited by law. Our failure to assess any charges or to assess charges in any specific amount does not waive our right to increase or decrease the amount of charges later. Fees are reviewed periodically and are subject to change; please refer to our Account Fees & Service Charges disclosure. You will be notified of any fee changes if and as required by law.

## **7. Use of External Email Address**

With Online Banking we may send messages to your external email address and notify you that responses to your payment inquiries or customer service inquiries are available, or as otherwise described within the Services. If you subscribe to e-Bills, we may also use external email to notify you that you have new bills. Email is not a secure method of communication over the Internet, and we recommend you do not send confidential, personal, or financial information by external Internet email. We cannot act on Instructions sent by you from an external email address.

If, for any reason your external email address changes or becomes disabled, please contact the Bank immediately so that we can continue to provide you with automated messages. You may notify us of any changes to your external email address through the settings menu within Online Banking. You agree that the Bank is under no obligation to re-transmit any notifications to you that were returned "undeliverable" or otherwise rejected for delivery.

## **8. Secure Messaging**

You may communicate with us using the Secure Messaging feature offered as part of the Service. We may post messages for you in the secure location of our website. We may also use e-mail to notify you that a new message has been posted. After you log in, you agree to review all messages. You agree to keep your e-mail address up to date using the Service. You will be deemed to have "received" the message upon receipt and opening of the e-mail message, or by the next Business Day after we post it to the website and send you a notification of availability, whichever occurs earliest. We may not immediately receive messages that you send, and we will not take action based on any requests until we actually receive your message and have had a reasonable opportunity to act. Therefore, you should not rely on secure messaging if you need our immediate attention. In such cases, you should contact the Bank immediately by calling us at 954-799-0900. For example, if you need to report an unauthorized transaction from one of your Accounts, you should call us to ensure prompt action on your Request.

In addition, when you create a User ID and Password for online access to your Accounts or other Online Banking Services, we may offer from time to time, you agree that we may contact you by use of the secure website with regard to any matter, including responding to any claim of unauthorized electronic funds transfer that you make. Any such message sent to you by Bank shall be considered received within three days of the date sent by the Bank, regardless of whether you sign on to your e-mail within that time frame. In addition, we may, but will not be obligated to notify you via a general or public e-mail when such a message has been sent, except as may be required by law.

## **9. Additional Services**

Additional services may be included in an update to this Agreement or in other separate agreements to notify you of the existence of any new services available through Online Banking. Information about new services may be obtained from our website at [www.localitybank.com](http://www.localitybank.com). By using these services when they become available, you agree to be bound by the terms and conditions contained in this Agreement or separate agreements covering these services.

## **10. Mobile Banking**

### **10.1 Services Available**

Not all features available through the Mobile Banking application are available through Online Banking. For example, mobile deposit, Touch ID, and facial recognition enhanced sign-on are only available using the mobile application.

For Service accessed through a Mobile Device, the following features are currently available:

- View Account balances, transactional detail, and history
- Set up One-time A2A Transfers between Accounts
- Establish new and pay existing payees using the Online Bill Pay Service
- Send Person to Person transfers utilizing the P2P Service
- Access and enable debit card controls
- Receive text messages with Account balances and limited transaction history
- Submit deposits using the mobile banking service described below

We may add or remove certain features and/or functionality from the Service from time to time

### **10.2 Mobile Device Responsibilities**

You are responsible for providing your own Mobile Device to access and use Mobile Banking or to use Online Banking using your Mobile Device, and you are responsible for obtaining your own mobile communications service provider. You are responsible for all fees and charges that you might incur to any mobile communications service provider or any other third parties while using Mobile Banking. Please note that the Services are maintained to work with the most recent versions of Apple's and Android's operating systems and with the most recent versions of nationally popular mobile devices and web browsers. Mobile Banking functionality is currently unavailable on an Apple® Watch or other "smart" watch.

### **10.3 Credentials**

The credentials you use for Online Banking (your Password and User ID) generally must be used to access Mobile Banking. If you enroll more than one Mobile Device in the same Mobile Banking relationship, using a unique initialization code for the Mobile Device, you agree that each such Mobile Device will have full access to your Accounts via Mobile Banking, even if the user of the Mobile Device would not otherwise have access to your Accounts, whether through Online Banking or otherwise. You should not respond to text (SMS) messages if they do not appear to have been sent from Mobile Banking. When you give someone your credentials or Mobile Device, you are authorizing that person to use the Mobile Banking Service, and you are responsible for all transactions that person performs while using Mobile Banking. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions. For your protection, log out after every use of Mobile Banking and close your browser or application to ensure confidentiality.

### **10.4 Mobile Device Software**

*License.* You are hereby granted a personal, limited, non-transferable, nonexclusive, non-sublicensable and non-assignable license ("License") to download, install, and use mobile application software for the Mobile Device provided through Mobile Banking on your Mobile Device within the United States and its territories. In the event that you obtain a new or different Mobile Device, you will be required to delete the mobile application from the existing Mobile Device and download and install the mobile application to that new or different Mobile Device. You agree to promptly notify the Bank if you change Mobile Devices or get a new telephone number for your Mobile Device. You can manage your mobile device settings in the More menu accessible from the home page. This License shall be deemed revoked immediately upon (i) any termination of Mobile Banking in accordance with this Agreement; (ii) your deletion of the mobile application from your Mobile Device; or (iii) written notice to you at any time, with or without cause. In the event this License is revoked for any of the foregoing reasons, you agree to promptly delete the mobile application from your Mobile Device.

**Proprietary Rights.** You are permitted to use content delivered to you through Mobile Banking only on Mobile Banking. You may not copy, reproduce, distribute, or create derivative works from this content. Further, you agree not to reverse engineer or reverse compile any Mobile Banking technology, including, but not limited to, any mobile phone applications associated with Mobile Banking.

**User Conduct.** You agree not to use Mobile Banking or the content or information delivered through Mobile Banking in any way that would: (i) infringe any third-party copyright, patent, trademark, trade secret, or other proprietary rights or rights of publicity or privacy, including any rights in the mobile application; (ii) be fraudulent or involve the sale of counterfeit or stolen items, including, but not limited to, use of Mobile Banking to impersonate another person or entity; (iii) violate any law, statute, ordinance, or regulation (including, but not limited to, those governing export control, consumer protection, unfair competition, anti-discrimination, or false advertising); (iv) be false, misleading, or inaccurate; (v) create liability for us or our affiliates or Service Providers, or cause us to lose (in whole or in part) the services of any of our Service Providers; (vi) be defamatory, trade libelous, unlawfully threatening, or unlawfully harassing; (vii) potentially be perceived as illegal, offensive, or objectionable; (viii) interfere with or disrupt computer networks connected to Mobile Banking; (ix) interfere with or disrupt the use of Mobile Banking by any other user; or (x) use Mobile Banking in such a manner as to gain unauthorized entry or access to the computer systems of others.

**No Commercial Use or Resale.** You agree that the Mobile Banking Service is for personal use only. You agree not to resell or make commercial use of Mobile Banking.

### **10.5 Mobile Banking Questions**

If you have any questions about the Mobile Banking Service, you can contact us at 954-799-0900 or [support@localitybank.com](mailto:support@localitybank.com). We can answer any questions you have about the Service.

### **10.6 Responsibilities for Your Mobile Device and Mobile Communications Services**

Except as provided herein, we are not responsible for any loss, damage, or injury whatsoever resulting from:

- An interruption in your mobile communications or telephone service;
- The disconnecting of your mobile communications or telephone service by your mobile communications or telephone service provider or from deficiencies in your connection quality; or
- Any defect or malfunction or misuse of your Mobile Device or the mobile application.

We are not responsible for any services relating to your Mobile Device or the mobile application other than those specified in this Agreement. Your mobile service carrier or provider is not the provider of any financial services available through Mobile Banking, and is not responsible for any of the materials, information, products, or services made available to you by us.

### **10.7 Mobile Banking Service Limitations**

Neither we nor our Service Providers can always foresee or anticipate technical or other difficulties related to Mobile Banking. These difficulties may result in loss of data, personalization settings, or other Mobile Banking interruptions. You agree to exercise caution when utilizing the Mobile Banking application on your Mobile Device and to use good judgment and discretion when obtaining or transmitting information. Financial information shown on Mobile Banking reflects the most recent Account information available through Mobile Banking and may not be accurate or current. You acknowledge that your Mobile Device might become subject to tracking, "hacking," or unauthorized viruses or malicious code, and that we are not responsible for monitoring or notifying you of the potential effect of any such malware. Your use of the Mobile Device for Mobile Banking is at your own risk.

### **10.8 Online Deposit Service**

The Online Deposit Service is designed to allow you to make deposits to your checking or money market accounts from home or other remote locations by scanning checks using a Mobile Device to take a picture of the check and delivering the images and associated deposit information to the Bank. In order to deposit a check using the Service, you must use the Mobile Banking application to send us an image of both the front and back of each check. A camera of at least two megapixels in resolution is required. When using the Service, you may experience technical or other difficulties. We cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. We have the right to change, suspend or discontinue the Online Deposit Service, in whole or in part, or your use of the Services, in whole or in part, immediately and with prior notice.

### 10.8.1 Online Deposit Eligible Items

You agree to scan/photograph and deposit only "checks" as that term is defined in Federal Reserve Regulation CC. When the image of the check is transmitted to the Bank it is converted to an Image Replacement Document for subsequent presentment and collection, it shall thereafter be deemed an "item" within the meaning of Articles 3 and 4 of the Uniform Commercial Code.

You agree that you will not scan/photograph and deposit any of the following types of checks or other items which shall be considered ineligible items:

- Checks payable to any person or entity other than the person or entity that owns the account that the check is being deposited into
- Checks containing an alteration on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn
- Checks payable jointly, unless deposited into an account in the name of all payees.
- Checks previously converted to a substitute check, as defined in Regulation CC.
- Checks drawn on a financial institution located outside the United States.
- Checks that are remotely created checks, as defined in Regulation CC.
- Checks not payable in United States currency.
- Checks dated more than 6 months prior to the date of deposit.
- Checks or items that are post-dated or future dated.
- Checks or items prohibited by the Bank's current procedures, or which are otherwise not acceptable under the terms of your Bank account.
- Checks payable on sight or payable through Drafts, as defined in Regulation CC.
- Checks with any endorsement on the back other than that specified in this Agreement or the Other Agreements.
- Checks that have previously been submitted to the Bank or any other financial institution or that have otherwise been deposited with the Bank or any other financial institution, including checks that have been returned unpaid.
- Checks or items that are drawn or otherwise issued by the U.S. Treasury Department

### 10.8.2 Online Deposit Endorsements and Procedures

You agree to restrictively endorse any item transmitted through the Online Deposit Service as "For mobile deposit only at Locality Bank" or as otherwise instructed by the Bank. You agree to follow any and all other procedures and Instructions for use of this Service as the Bank may establish from time to time.

We reserve the right to reject any item transmitted through the Online Deposit Service, at our discretion, without liability to you. We are not responsible for items we do not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from the Bank that we have received the image. Receipt of such confirmation does not mean that the transmission was error free, complete or will be considered a deposit and credited to your Account. We further reserve the right to charge back to your Account at any time, any item that we subsequently determine was not an eligible item. You agree that the Bank is not liable for any loss, costs, or fees you may incur as a result of our chargeback of an ineligible item.

Upon your receipt of a confirmation from the Bank that we have received an image that you have transmitted, you agree to retain the check for at least 2 weeks from the date of the image transmission. After 2 weeks, you agree to destroy the check that you transmitted as an image, mark it "VOID", or otherwise render it incapable of further transmission, deposit, or presentment. During the time the retained check is available, you agree to promptly provide it to the Bank upon request.

You agree to cooperate with us in the investigation of unusual transactions, poor quality transmissions, and resolution of claims, including by providing, upon request and without further cost, any originals, or copies of

items deposited through the Digital Deposit Service in your possession and your records relating to such items and transmissions.

### **10.8.3 Online Deposit Availability of Funds**

You agree that items transmitted using the Online Deposit Service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. In general, if an image of an item you transmit through this Service is received and accepted before 5 PM Eastern Time on a Bank Business Day, we consider that day to be the day of your deposit. Otherwise, we will consider that the deposit was made on the next Bank Business Day. Funds deposited will generally be made available the second Bank Business Day after the day of deposit. Longer Delays May Apply.

### **10.8.4 Federal Reserve Holiday Schedule**

Availability of your deposits will be determined on each Bank Business Day. Federal holidays (which are not a Bank Business Day) are listed below. For holidays falling on a Saturday, the preceding Friday will be a Bank Business Day. For holidays falling on a Sunday, the following Monday will be a holiday and not considered a Bank Business Day. \*Some exceptions may apply for certain holidays.

Bank Business Day refers to one of our banking days as defined in 12 CFR 229.2.

- New Year's Day (January 1)
- Martin Luther King Day (Third Monday in January)
- Presidents Day (Third Monday in February)
- Memorial Day (Last Monday in May)
- Juneteenth (June 19)
- Independence Day (July 4)
- Labor Day (First Monday in September)
- Columbus Day (Second Monday in October)
- Veterans Day (November 11)
- Thanksgiving Day (Fourth Thursday in November)
- Christmas Day (December 25)

*Note: If January 1, July 4, November 11, or December 25 fall on a Sunday, the following Monday is a standard Federal Reserve Bank holiday.*

For more information and access to the exact dates as provided by the Federal Reserve website at: <https://www.frb services.org/about/holiday-schedules/index.html>

### **10.8.5 Online Deposit Limits**

We may establish limits on the dollar amount and/or number of items or deposits from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times. The current daily dollar limit is \$50,000 per deposit transaction (\$5,000 daily and \$10,000 weekly/monthly limits for new accounts for the first 90-days).

### **10.8.6 Online Deposit Errors**

You agree to notify the Bank of any suspected errors regarding items deposited through the Digital Deposit Service right away, and in no event later than 30 days after the applicable Bank account statement is sent. Unless you notify the Bank within 30 days, such statement regarding all deposits made through the Digital Deposit Service shall be deemed correct, and you are prohibited from bringing a claim against the Bank for such alleged error.

By using this Service, you accept the risk that an item may be intercepted or misdirected during transmission. Locality Bank bears no liability to you or others for any such intercepted or misdirected items or information disclosed through such errors.

### **10.8.7 Online Deposit Image Quality**

The image of an item transmitted to the Bank using this Service must be legible, as determined in the sole discretion of the Bank. The front image must clearly display the entire MICR line. After capturing the images, you must visually examine them to make sure they are totally readable and verify and validate the total of the deposit.

If the check is torn or crumpled, or the photograph is not within the on-screen corners, not well-lit, does not contrast with the background, is blurry, or is not in focus we might not be able to process your deposit. Without limiting the foregoing, the image quality of the items must comply with the requirements established from time to time by the Bank, ANSI, the Board of Governors of the Federal Reserve Board, or any other regulatory agency, clearinghouse, or association.

#### **10.8.8 Online Deposit User Warranties and Indemnification.**

You warrant to the Bank that:

- You will only transmit eligible items.
- You will not transmit duplicate items.
- You will not re-deposit or re-present the original item.
- All information you provide to the Bank is accurate and true.
- You will comply with this Agreement and all applicable rules, laws, and regulations.
- You are not aware of any factor which may impair the collectability of the item.
- You agree to indemnify and hold harmless the Bank from any loss for breach of this warranty provision.
- You agree to indemnify, defend, and hold harmless the Bank and its directors, officers, employees, third party Service Providers, and agents free and harmless from any and all losses or damages, including attorneys' fees, lost profits, and indirect or special damages, including, but not limited to, those relating to Bank Secrecy or Financial Privacy Laws or Regulations, that may arise, directly or indirectly, in whole or in part from any claims, suits, or demands, of any nature or kind (including without limitation, those brought by third parties) with respect to: (i) any item processed through the Online Deposit Service; (ii) your destruction of the item or any attempted re-presentation of an item; (iii) your use of the Online Deposit Service; (iv) your breach of the representations and warranties set forth above or in any agreement with us; (v) your failure to comply with any applicable laws and regulations; (vi) any act or omission of the Bank that is in accordance with this Agreement or your Instructions; or (vii) any actions by third parties, such as the introduction of a virus, that delay, alter or corrupt the transmission of an item to the Bank.
- As of the date:
  - (a) each check is an "item" (as defined in Article 4 of the UCC) and is acceptable for deposit under the Account Agreement;
  - (b) the check contains a preprinted serial number;
  - (c) the check is accurate, complete, and authentic;
  - (d) the check was completed and duly signed by the drawer, who is the drawer named on the check;
  - (e) the check is a valid payment obligation to you;
  - (f) that you have not endorsed the check to any third party;
  - (g) the check is drawn on a bank or financial institution located in the United States and the drawer is a U.S. resident;
  - (h) the check amount is in the exact amount of the goods or services purchased;
  - (i) the goods or services have been delivered to the drawer and have not been returned or disputed;
  - (j) the check has not been previously, imaged, scanned, or otherwise submitted for deposit;
  - (k) the check does not contain computer viruses or other harmful, intrusive, or invasive codes;
  - (l) the check has been duly endorsed by you; and
  - (m) that the check is not an ineligible check.

In addition, you make the same representations and warranties to us with regard to each check transmitted by you through the Digital Deposits Service pursuant to this Agreement as you would make under the UCC if you presented the original check or other item to us, rather than the checks.

#### **10.8.9 Responsibility for Multiple Deposits of the Same Check**

You acknowledge and agree that you will bear sole responsibility and liability in the event of multiple deposits of the same checks, whether such multiple deposits are intentional or unintentional and whether resulting from fraud or for any other reason whatsoever, and whether such multiple deposits are made electronically or as paper checks with us or any other financial institution or any combination thereof. You agree that the

aggregate amount of all such checks that are deposited more than once shall be debited against your Account, and to the extent funds in your Account are insufficient to cover such amount, then any balance shall be debited by us against any of your other Accounts as determined by us, in our sole discretion. You further acknowledge that you are fully responsible for the original checks that are imaged and deposited using the Mobile Deposits Service and that the liability to the maker of any check so imaged that may result from your use of the Mobile Deposits Service or from the necessity of our printing substitute checks from the images thereof transmitted by you to us shall be solely your liability and that we shall have no liability whatsoever, therefore. You agree that we have no liability or responsibility for any failure to detect a duplicate check.

#### **10.8.10 Presentment of Checks**

Unless otherwise agreed to in writing by us, we will, in our sole discretion, determine the manner in which checks shall be presented for payment to the drawee bank. Likewise, we will, in our sole discretion, select the clearing agents used to collect and present the checks and our selection of the clearing agents shall be considered to have been designated by you. We shall not be liable for the negligence of any clearing agent. You agree to be bound by any agreements entered into by and between us and any clearing agents and you agree to be bound by all clearinghouse rules and regulations, including, without limitation, Regulations of the Board of Governors of the Federal Reserve, Federal Reserve Customer Operating Circulars, and Rules of the National Item Exchange ANSI, or other clearinghouse association of which we might be a member or to which rules we agree to, or are bound by.

#### **10.8.11 Physical Delivery**

You agree that if for any reason you are not able to image and transmit checks to us, including, without limitation, communications, equipment or software outages, interruptions, or failures, you will be responsible for using other methods to deposit the original checks. The deposit of original checks at a Bank location shall be governed by the terms and conditions contained in the Account Agreement and not by the terms of this Agreement.

#### **10.8.12 Returned Checks**

We will process and return unpaid checks in accordance with applicable laws and regulations and the Account Agreement. If checks previously deposited are dishonored and returned unpaid by the drawee bank, you understand and agree that, since you either maintain the original check or have destroyed the original check in accordance with this Agreement, the original check will not be returned, and we may reverse the deposit of the check to the designated Account to which the check was deposited. We reserve the right to charge back to your Account at any time, any check that was subsequently returned to us or that we subsequently determine was an Ineligible check. You understand and agree that the image may be in the form of an electronic or paper reproduction of the original check or a substitute check.

#### **10.8.13 Indemnity**

In addition to, and not in lieu of, the indemnification provisions of subsection 7.3 of this Agreement, you agree to indemnify and hold the Bank and its directors, officers, employees, and agents harmless from all losses, liability, claims, demands, judgments, and expenses (including attorney's fees and expenses) arising out of or in any way connected with any of the following: your use of the Mobile Deposits Service, your negligence or willful misconduct, your breach or violation of any term or provision of this Agreement, your breach or violation of any of your representations or warranties in this Agreement, the multiple submission for deposit of imaged Checks using the Online Deposit Service, the submission of fraudulent items using the mobile service, any failure of your Mobile Device or the software or any disruption in the transmitting of any images or data by you to us, your failure to endorse any checks electronically transmitted by you to us, your failure to destroy the originals of imaged checks submitted by you using the Mobile Deposits Service within the time frame provided for, any misuse of the Mobile Device or the herein designated hardware or software by you or by any individual or entity acting on your behalf or within your control, or your failure to comply with any applicable federal and state statutes, rules, and regulations in force pertaining to or regarding Mobile Deposits Service procedures for the Mobile Deposits Service or to the deposit of checks in your Account.