



Internet Banking Agreement

HCB Online Banking Agreement and Electronic Funds Transfer Act Disclosure

Agreement - This Agreement is a contract, which establishes the rules which cover your electronic access to your accounts at Highpoint Community Bank ("BANK") through the HCB Online Banking Services System ("SYSTEM"). By using SYSTEM, you accept all the terms and conditions of this Agreement. Please read it carefully.

The terms and conditions of the deposit agreements and disclosures for each of your BANK accounts as well as your other agreements with BANK such as loans continue to apply notwithstanding anything to the contrary in this Agreement. This Agreement is also subject to applicable federal laws and the laws of the State of Michigan (except to the extent this Agreement can and does vary such rules or laws). If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement. This Agreement is binding upon your heirs and BANK's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement. This Agreement, along with the Fee Schedule, constitutes the entire agreement between you and BANK with respect to the subject matter hereof and there are no understandings or agreements relative hereto which are not fully expressed herein.

Definitions - As used in this Agreement, the words "we", "our", "us" and "BANK" mean Highpoint Community Bank. "You" and "your" refer to the accountholder authorized by BANK to use SYSTEM under this Agreement and anyone else authorized by that accountholder to exercise control over the accountholder's funds through SYSTEM. "Account" or "accounts" means your accounts at BANK. "Electronic funds transfers" means ATM withdrawals, preauthorized transactions, point of sale transactions, Home Banking Center telephone transactions, and transfers to and from your BANK accounts using SYSTEM including Bill Payments. "SYSTEM Services" means the services provided pursuant to this Agreement, including the Bill Payment Service. "Business days" means Monday through Friday. Banking Holidays are not included.

Access - To use SYSTEM, you must have an account at the BANK, secure access to Internet, and an e-mail address. Once we have received your registration and verified your account information, you will receive an email notifying you that you can access the SYSTEM. SYSTEM can be used to access only your BANK accounts that have been designated. We undertake no obligation to monitor transactions through SYSTEM to determine that they are made on behalf of the accountholder.

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

Accounts Accessible By More Than One Person – Joint Account holders may each use the same account for their individual transactions. Each such owner or authorized representative may individually enroll in Online Banking. As such, each account holder has the same right of access to account activity such as notifying the BANK of suspected loss or fraud or canceling the Services. Each enrolled person must have a unique User ID and Password.

SYSTEM Services - You can use SYSTEM to check the balance of your BANK accounts, view BANK account histories, transfer funds between your BANK accounts, make stop payment requests and pay bills from your BANK checking accounts in the amounts and on the dates you request. *Balance and activity information will be available as of close of business of the previous business day. Your available balance may reflect current day activity.*

Email Use – When you enroll in the Services, you will have access to your Account information online, with the capability to automatically send a message to the BANK by clicking the contact us tab at the top right side of the page. You will be asked to designate a primary email address, which we will use to send documents and messages electronically as provided in this agreement. We will not send confidential account information by email such as account numbers, without partially blocking the number to avoid disclosure of this information to third parties. We recommend that you do not send any confidential information about your accounts over the Internet. We will not send email to you requesting confidential information such as account numbers or personal Identification numbers. **If you receive such an email that claims to be from or authorized by Highpoint Community Bank, DO NOT RESPOND to the email and NOTIFY US IMMEDIATELY by calling (269) 945-2401 and ask for Online Banking Support.**

Your Password - For security purposes, you are required to change your password upon your initial login to SYSTEM. You determine what password you will use and the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. *Unsuccessful attempts to gain access to SYSTEM with an invalid password may lock you out of SYSTEM. To re-establish your authorization to use SYSTEM, you must contact us to have your password reset or to obtain a new temporary password.* Minimum password requirements are enforced when setting your password. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children, and should be memorized rather than written down. To enhance security we may request periodic password changes.

Security - You understand the importance of your role in preventing misuse of your accounts through SYSTEM and you agree to promptly examine your periodic statement for each of your BANK accounts as soon as you receive it. You agree to protect the confidentiality of your password and user ID, which are intended to provide security against unauthorized entry and access to your accounts. Data transferred via SYSTEM is encrypted in an effort to provide transmission security and SYSTEM utilizes identification technology to verify that the sender and receiver of SYSTEM transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the SYSTEM is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing BANK SYSTEM, or e-mail transmitted to and from us, will not be monitored or read by others.

Indemnification for Unauthorized Use – Except as expressly prohibited under applicable state or federal law, you shall be responsible for any liability, loss or damage resulting from any breach of security or unauthorized disclosure or use of your password. The BANK shall be under no obligation to monitor your Account transactions for unauthorized use. Your User ID and Password identify you as an authorized signatory of your Account(s). You agree that the BANK will rely on your User ID and Password to identify you, and as signature authorization for any payment and/or transfer made from and to your Account(s) using the Services. You agree that we may process any transaction effected by any person using your User ID and Password, subject to the terms of use in this agreement. If you have reason to believe your User ID or Password is known by an unauthorized person or that someone has transferred money without your permission, immediately call (269) 945-2401 and ask for Online Banking Support or visit us at any of our six branches.

Fees and Charges - You agree to pay the fees and charges for your use of SYSTEM Services as set forth in the current FEE SCHEDULE. You acknowledge your receipt of the current Fee Schedule and that you are aware of the fees and charges set forth therein for your use of SYSTEM Services. You agree that all such fees and charges will be deducted from the BANK account(s) designated upon registration. You agree to

pay any additional reasonable charges for services you request, which are not covered by this Agreement. You are also responsible for telephone and Internet service fees you incur in connection with your use of SYSTEM.

Posting of Transfers - *Transfers initiated through SYSTEM before 7:00 p.m. (Eastern Daylight Time) on a business day are posted to your account the same day. Transfers completed after 7:00 p.m. (Eastern Daylight Time) on a business day, Saturday, Sunday or banking holiday, will be posted on the next business day.* SYSTEM identifies transfers based upon the login ID of the user who made the electronic transfer. You agree to communicate with any other persons with authorized access to your accounts concerning any transaction from your accounts in order to avoid overdrafts.

Overdrafts (Order of Payments, Transfers, and other Withdrawals) - If your account has insufficient funds to perform all electronic fund transfers you have requested for a given business day, then:

- a. *Electronic funds transfers involving currency disbursements, like ATM withdrawals, will have priority.*
- b. Electronic fund transfers initiated through SYSTEM which would result in an overdraft of your account may, at our discretion, be cancelled.
- c. In the event the electronic fund transfers initiated through SYSTEM which would result in an overdraft of your account are not cancelled, overdraft charges may be assessed pursuant to the terms of the deposit agreement for that account.

Limits on Amounts and Frequency of SYSTEM Transactions - This agreement imposes no restrictions on the number of transfers from BANK accounts or the amounts which may be transferred, but certain limits and restrictions on the frequency of transfers may be applicable with respect to the particular types of accounts subject to this Agreement, particularly money market, savings and NOW accounts and certificates of deposit. For all savings accounts, no more than a total of six (6) preauthorized, telephone (including data transmission using SYSTEM), or automatic transfers may be made from your account per month. Where check writing privileges are offered on savings accounts, no more than three (3) of the six (6) transfers can be in the form of a check, draft, debit card or similar order (including point of sale transactions) payable to third parties. Federal Regulations require us to monitor your compliance with these limitations. If the transaction limitations are violated, we may be required to close your account, take away the ability to make such transfers, or change your account to a checking account which allows such transfers. In addition, you may be subject to the payment of penalties for early withdrawal with respect to transfers from certain of these accounts. Please refer to the disclosure documents you received at the time these accounts were established for more detailed information on limitations, restrictions and early withdrawal penalties applicable thereto.

Confidentiality - We will disclose information to third parties about your account or the transfers you make: (1) where it is necessary for completing transfer; or (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or (3) in order to comply with government agency or court orders; or (4) if you give us written permission.

Periodic Statements - You are entitled to receive a periodic statement for each monthly cycle in which an electronic fund transfer has occurred and a statement at least quarterly if no transfer has occurred. You will not receive a separate SYSTEM statement. Transfers to and from your accounts using SYSTEM will appear on the respective periodic paper statements for your BANK accounts.

Change in Terms - We may change any term of this Agreement at any time. If the change would result in increased fees for any SYSTEM service, increased liability for you, fewer types of available electronic fund transfers, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or our electronic fund transfer system. We will post any required notice of the change in terms on the BANK SYSTEM website or forward it to you by e-mail or by postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, we will notify you of the change in terms within 30 days after the

change becomes effective. Your continued use of any or the entire subject SYSTEM Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that the applicable deposit agreements and disclosures govern changes to fees applicable to specific accounts.

In Case of Errors or Questions about Your Electronic Transfers, including Bill Payments - Contact us as soon as you can, if you think your paper statement is wrong, or if you need more information about a transfer listed on your paper statement. You may contact us for this purpose by any of the methods stated below in the section entitled "Communications Between BANK and You." We must hear from you no later than 60 days after we sent the FIRST paper statement upon which the problem or error appeared. When you contact us:

- (1) Tell us your name and account number.
- (2) Describe the error or transfer you are unsure about, and explain as clearly as you can why you believe it is an error, or why you need more information.
- (3) Tell us the dollar amount of the suspected error.
- (4) If the suspected error relates to a Bill Payment made via the SYSTEM Bill Payment Service, tell us the account number used to pay the bill, payee name, the date the payment was sent, payment amount, ID number, and the payee account number for the payment in question. (This information appears on the Bill Payment View Posting Screen.)

If you contact us by telephone or by e-mail, we may require that you send us your complaint or question in the form of paper writing by postal mail or fax within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account) to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and WE DO NOT receive it in the form of a paper writing within 10 business days, we may not provisionally credit your account. We will tell you the results within three business days after completing our investigation. If we find that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Our Liability for Failure to Make a Transfer - If we do not complete a transfer to or from your account, including a Bill Payment, on time or in the correct amount, according to our agreement with you when you have properly instructed us to do so, we will be liable to you for your losses or damages caused as a result. However, there are some exceptions. We will NOT be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make a transfer.
- (2) If a legal order directs us to prohibit withdrawals from the account.
- (3) If your account is closed, or if it has been frozen.
- (4) If the transfer would cause your balance to go over the credit limit of an established line of credit or the credit limit for any credit arrangement set up to cover overdrafts.
- (5) If you, or anyone authorized by you, commits any fraud or violates any law or regulation.

- (6) If any electronic terminal, telecommunication device, or any part of the SYSTEM electronic fund transfer system is not working properly and you knew about the problem when you started the transfer.
- (7) If you have not provided us with complete and correct payment information for the Bill Payment Service, including, without limitation, the name, address, your payee-assigned account number, payment date, and payment amount for the payee on a Bill Payment.
- (8) If you have not properly followed the on-screen instructions for using SYSTEM.
- (9) If circumstances beyond our control (such as fire, flood, interruption in telephone service or other communication lines) prevent the transfer, despite reasonable precautions that we have taken.

Your Liability for Unauthorized Transfers - CONTACT US AT ONCE if you believe your password has been lost, stolen, used without your authorization, or otherwise compromised, or if someone has transferred or may transfer money from your accounts without your permission. You may contact us for this purpose by any of the methods stated below in the section entitled "Communications Between BANK and You." An immediate telephone call to us is the best way to reduce any possible losses. You could lose all the money in your accounts (*plus your maximum overdraft line of credit, if any*). If you contact us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, you can lose no more than \$50 if someone used your password without your permission. If you do NOT contact us within 2 business days after you learn of the loss, theft, compromise, or unauthorized use of your password, and we can prove we could have stopped someone from using your password to access your accounts without your permission if you had told us, you could lose as much as \$500. Also, if your paper statement shows transfers that you did not make, contact us at once. If you do not tell us within 60 days after the paper statement was mailed to you, you may not get back any money you lost through transactions made after the 60 day time period if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from contacting us, we will extend the time periods.

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

Regulatory Authority - If you believe that any provision of the Michigan electronic Funds Transfer Act has been violated, you should notify the Michigan Financial Institutions Bureau at PO Box 30224, Lansing, MI 48909 and/or the Federal Deposit Insurance Corporation at 500 West Monroe St Suite 3500, Chicago, IL 60661.

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

Our Right to Terminate - You agree that we can terminate or limit your access to SYSTEM Services for any of the following reasons:

1. Without prior notice, if you have insufficient funds in any one of your BANK accounts. SYSTEM service may be reinstated, in our sole discretion, once sufficient funds are available to cover any fees, pending transfers, and debits.
2. Upon 3 business days notice, if you do not contact us to designate a new Primary Checking Account immediately after you close your Primary Checking Account.
3. Upon reasonable notice, for any other reason in our sole discretion.
4. After 180 days of inactivity.

Communications between BANK and You - Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways (normal business hours are From 9:00 a.m. to 7:00 p.m. Monday through Friday):

E-mail - You can contact us by e-mail at IB@hcb.us. Please note that banking transactions through SYSTEM are not made via e-mail.

Telephone - You can contact us by telephone at (269)945-2401.

Facsimile - You can contact us by fax at (269) 945-3860.

Postal Mail - You can write to us at: Highpoint Community Bank, Online Banking, 150 West Court Street, Hastings, MI 49058.

In Person - You may visit us in person at any one of our locations.

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

FEE SCHEDULE

Internet Banking/Bill Payment – Free.