

## Dakota Heritage Bank of North Dakota Electronic Banking Agreement

**What this Agreement Covers.** This Electronic Banking Agreement ("**Agreement**") between the undersigned depositor(s) ("**you**" and "**your**") and Dakota Heritage Bank of North Dakota ("**we**", "**us**" and "**our**") governs your access to and use of the Dakota Heritage Bank of North Dakota Electronic Banking System, a system that permits customers to access certain banking services using a telephone ("**Telephone Banking**") or the Internet ("**Internet Banking**" and "**Online Banking**") collectively, "**Electronic Banking**". By signing or acknowledging this Agreement, you: (a) confirm your application for an Electronic Banking Access Number ("**Access Number**") for use with Telephone Banking and a user identification number ("**User ID**") for use with Internet Banking; and (b) agree that all Electronic Banking access to and activity on your account(s) and the account(s) for which you have signatory authority (collectively, "**Designated Accounts**") shall be undertaken subject to the terms and conditions of this Agreement, provided that use of Electronic Banking shall not be deemed to modify your other agreements with us governing account relationships. You agree to review any updates to these Terms and Conditions that we may provide from time to time.

### Terms and Conditions

The use of Electronic Banking with Dakota Heritage Bank of North Dakota requires that you agree to the terms and conditions of our Service Agreement. The Agreement describes many of the features and services that Online Banking provides and how they work.

### Service Charges

You will not pay any service charges or fees to view your account information or pay bills online. If we ever change this policy, you will be notified and allowed to discontinue your service.

### Receiving Online Banking Disclosures and Notices

All updates to the Service Agreement, as well as all disclosures, notices and other communications regarding Online Banking, will be provided to you online. You can get free paper copies of any of these documents by calling customer service.

Please be assured that you will continue to receive all of the paper account statements and similar account material that you currently receive by mail.

### I. Telephone Banking

**Maintaining Confidentiality of PIN and User Password.** In connection with your use of Telephone Banking, you will choose a personal identification number ("**PIN**") which, in conjunction with the Access Number, is needed to access the Designated Accounts via Telephone Banking. You agree not to give the Access Number or PIN to any person not authorized to access the Designated Accounts and to otherwise keep the Access Number and PIN confidential, and agree to accept all liability that legally can be imposed on you for each use of the Access Number and PIN, whether or not authorized by you.

**Consumer Liability.** Please tell us AT ONCE if you believe your Access Number, PIN, User ID or User Password has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You are responsible for all transfers you or your authorized representative makes using the Electronic Banking services. You authorize us to debit your Designated Accounts for any transactions accomplished through the use of the Electronic Banking services. You agree that transfer instructions may be entered by any one person who is authorized to conduct such transactions, notwithstanding any provision contained in other documentation governing the account purporting to require more than one signature on items withdrawing funds from the account. If you permit another person to use the Electronic Banking services or give them your Access Number and PIN or User ID and

User Password, you are responsible for payments, transfers, or advances that person makes from the Designated Accounts even if that person exceeds your authorization.

**Contact in Event of Unauthorized Transfer.** If you believe your Access Number, PIN, User ID or User Password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, notify us in person, call us at (701) 874-2161 or write to us at Dakota Heritage Bank of North Dakota, PO Box 268, Hunter, ND, 58048. Our representatives are available to assist you Monday through Friday from 8:00 a.m. to 4:00 p.m. Central time. You should not rely on e-mail if you need to communicate with us immediately (for example, to report the loss, theft or unauthorized use of your password or an unauthorized transaction from your Designated Accounts).

## **II. General Description of Online Banking Agreement**

### **A. What This Agreement Covers**

This Agreement between you and Dakota Heritage Bank of North Dakota governs the use of Online Banking services. These services permit Dakota Heritage Bank of North Dakota customers to perform a number of banking functions on accounts linked to the service through the use of a personal computer.

### **B. Accepting the Agreement**

When you use any of the Online Banking services described by the Agreement or authorize others to use them, you agree to the terms and conditions of the entire Agreement.

### **C. Relation to Other Agreements**

Your use of Online Banking services may also be affected by the agreements between us for your deposit and other linked accounts. When you link an account to Online Banking services you do not change the agreements you already have with us for that account. For example, when you use Online Banking services to transfer funds between accounts, you do so under the terms and conditions we gave you in the agreement and disclosure for that account. You should review those agreements for any applicable fees, for limitations on the number of transactions you can make, and for other restrictions that might impact your use of an account with Online Banking services.

## **III. Online Banking Services**

### **A. Online Banking for Consumers and Businesses**

You may use Online Banking to:

- Transfer funds between your linked Dakota Heritage Bank of North Dakota accounts, including as a payment to a linked installment loan or mortgage.
- Transfer funds from your linked Dakota Heritage Bank of North Dakota personal or sole proprietor deposit accounts to any of your other Dakota Heritage Bank of North Dakota personal or sole proprietor deposit accounts.
- View current balance information for your linked Dakota Heritage Bank of North Dakota checking, money market, savings, CD, mortgage, or loan accounts.
- Review available transactions for your linked Dakota Heritage Bank of North Dakota checking, money market, savings accounts.
- Perform self-service account maintenance, such as changing your Online ID and Online password.

- Send us secure online mail messages and questions regarding your Online Banking service.
- eAlerts – you can set-up to receive email and/or text alerts to receive certain information regarding eligible accounts you have selected for the service.
- Mobile Banking – through the internet banking product you can setup to access mobile banking services.
- Some of the above services may not be available for some accounts.

Note: 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, bill presentment. To access all of the features and services offered by Online Banking, sign in directly through our Web site at [www.dhbanknd.com](http://www.dhbanknd.com).

#### ***B. eAlerts***

This is a service within the online banking that allows you to set-up to receive email and/or text alerts to receive certain information regarding eligible accounts you have selected for the service.

#### ***C. Mobile Banking***

This is a service within the online banking that allows you to see and perform internet banking functions through the use of a mobile phone.

#### ***D. Bill Payment Services***

If you choose to add Bill Payment service, in addition to the Online Banking features listed above, you may also:

Make one-time or recurring payments online from your linked checking account(s), and money market account(s) to companies or individuals (Payees) you select.

### **IV. Description of Online Banking Services**

#### ***A. Transfers***

##### Processing Transfer Requests

Transfers can be made between your linked Dakota Heritage Bank of North Dakota checking, savings, and money market accounts, or as a payment from any of those accounts to a linked installment loan or mortgage.

The completion of a transfer is subject to the availability of sufficient funds at the time of final processing. If you do not have enough available funds, you may incur a non-sufficient funds (NSF) fee. Please refer to the applicable account agreement and fee schedule for details.

Transfers you submit from a deposit account (checking, savings or money market) are immediately reflected in your balances for that account. Transfers entered before the cut-off time of 2:00 p.m. Central Time (CT) on a bank business day are processed on the same bank business day. Transfers entered after the cut-off time or on a non-bank business day are processed on the next bank business day.

##### Cut-off Times for Crediting of Transfers

The crediting of funds depends on the type of account you are transferring to and the daily cut-off time. Online Banking transfers to deposit accounts are immediately reflected in the account balance online and at ATMs. In order for transferred funds to be available to pay items that are processed against your account overnight (i.e.

checks or direct debits), they must be entered before the cut-off time of 2:00 p.m. CT. To avoid possible NSF or overdraft fees, please be sure to make your transfers before the cut-off time.

### Canceling Transfers

You cannot cancel your One Time Transfer after it has been entered in Online Banking and the information has been transmitted to us. You can edit or delete your Scheduled Transfers.

### **B. eAlerts**

Dakota Heritage Bank of North Dakota's email and text alerts enable you to receive certain information regarding eligible accounts you have selected for the service. By subscribing to this service, you acknowledge that you are aware of and agree to the terms and conditions hereof.

You may receive alerts through a text- or web-enabled mobile device, an email account that is accessed via a personal computer, or both. It is your responsibility to determine if your service provider supports text messaging and your telephone or other mobile device is capable of receiving text messages. The alerts are also subject to the terms and conditions of your agreement(s) with your cellular phone carrier, internet and/or other service provider. The alerts may be subject to text messaging charges by your carrier. You are responsible for any fees imposed by your service providers.

We will send alerts based upon the instructions you provide to us. In addition to any other obligations you may have, it is your responsibility to correctly enter and keep current any email address and/or mobile device number activated with Mobile Banking Service, as required for the type of alert you have selected. We may send these alerts in an unencrypted format. You consent to delivery by the method you have selected and to sharing of information with anyone who may have access to your telephone, mobile, computer or other device.

Alerts are not designed to replace any other notices we send to you. You agree to continue to review all correspondence from us regarding your accounts and services with us. If we do not send or you do not otherwise receive an alert we send, or such is delayed or misdirected for any reason, such does not affect your liability, rights or responsibilities with respect to your accounts and services and you agree that we will not be liable for our failure to send alerts as described herein.

We reserve the right to terminate this service or begin charging a fee for this service at anytime without notice, except as may be required by law. Nothing herein shall amend, supersede or nullify any other agreement you may have with us.

### **C. Mobile Banking**

Dakota Heritage Bank of North Dakota's mobile banking enables you to perform online banking functions through the use of a mobile phone. By subscribing to this service, you acknowledge that you are aware of and agree to the terms and conditions hereof.

You may use this service through a mobile device. It is your responsibility to determine if your service provider supports this service and your mobile device is capable of performing the functions. The mobile web usage is also subject to the terms and conditions of your agreement(s) with your cellular phone carrier, internet and/or other service provider. Your mobile web usage may be subject to charges by your carrier. You are responsible for any fees imposed by your service providers.

In addition to any other obligations you may have, it is your responsibility to correctly enter and keep current any mobile device number activated with Mobile Banking Service. You consent to sharing of information with anyone who may have access to your mobile or other device.

We reserve the right to terminate this service or begin charging a fee for this service at anytime without notice, except as may be required by law. Nothing herein shall amend, supersede or nullify any other agreement you may have with us.

#### **D. BILL PAYING AGREEMENT/DISCLOSURE**

This is your bill paying agreement with Dakota Heritage Bank of ND.

You may use Dakota Heritage Bank of ND bill paying service, iPay, to direct Dakota Heritage Bank of ND to make payments from your designated checking account to the "Payees" you choose in accordance with this agreement. The terms and conditions of this agreement are in addition to the account agreements, disclosures and other documents in effect from time to time governing your account (The Account Rules).

"You" or "Your" means each person who is authorized to use the service. "Payee" means anyone, including the Financial Institution, you designate and the Financial Institution accepts as a "Payee".

##### **1. HOW TO SET UP PAYEES/PAYMENTS**

- If you want to add a new "PAYEE", select the "Payee" tab located in your Bill Pay application or speak to a service representative.
- You may add a new fixed payment to a "Payee" by accessing the service and entering the appropriate information. Most other additions, deletions, or changes can be made in writing or by using the service.
- The Financial Institution reserves the right to refuse the designation of a "Payee" for any reason.
- You may pay any "Payee" with-in the United States (including U.S. territories and APO's).
- The Financial Institution is not responsible for payments that can not be made due to incomplete, incorrect, or outdated information.

##### **2. THE BILL PAYING PROCESS**

Single Payments – a single payment will be processed on the business day (generally Monday through Friday, except certain holidays) that you designate as the payment's process date, provided the payment is submitted prior to the daily cut-off time on that date. The daily cut-off time, which is controlled by the Financial Institution, is currently 2p.m. central.

A single payment submitted after the cut-off time on the designated process date will be processed on the next business day. If you designate a non-business date (generally weekends and certain holidays) as the payment's process date, the payment will be processed on the first business day following the designated process date.

Recurring Payments - When a recurring payment is processed, it is automatically rescheduled by the system. Based upon your selected frequency settings for the payment, a process date is calculated for the next occurrence of the payment. If the calculated process date is a non-business date (generally weekends and certain holidays), it is adjusted based upon the following rules:

- If the recurring payment's "Pay Before" option is selected, the process date for the new occurrence of the payment is adjusted to the first business date prior to the calculated process date.
- If the recurring payment's "Pay After" option is selected, the process date for the new occurrence of the payment is adjusted to the first business date after the calculated process date.

Note: If your frequency settings for the recurring payment specify the 29th, 30th, or 31st as

a particular day of the month for processing and that day does not exist in the month of the calculated process date, then the last calendar day of that month is used as the calculated process date.

### **3. SINGLE AND RECURRING PAYMENTS**

The system will calculate the Estimated Arrival Date of your payment, this is only an estimate, please allow ample time for you payments to reach your "Payees".

### **4. CANCELLING A PAYMENT**

A bill payment can be changed or cancelled anytime prior to the cutoff time on the scheduled process date.

### **5. AVAILABLE FUNDS**

You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all bill payments requested, as well as, any other payment obligations you have to the Financial Institution.

- The Financial Institution reserves the right, without liability, to reject or reverse a bill payment if you fail to comply with the above requirement or any other term of this agreement.
- If you do not have sufficient funds in the account and the Financial Institution has not exercised its right to reverse or reject a bill payment, you agree to pay for such payment obligations on demand.
- You further agree the Financial Institution, at its option, may charge any of your accounts with the Financial Institution to cover such payment obligations.
- Using the bill payment system may access the unused portion of your ready reserve line of credit as well as any accounts linked to your checking account for overdraft protection. This will result in finance charges being incurred or additional fees being assessed for the transfer.

The Financial Institution reserves the right to change the cut-off time. You will receive notice if it changes.

### **6. LIABILITY**

- You are liable for all transactions you make or that you authorize another person to make even if that person exceeds his or her authority.
- If you want to terminate another person's authority, you must notify the Financial Institution and arrange to change your PIN.
- You will be responsible for any bill payment request you make that contains an error or is a duplicate of another bill payment.
- The Financial Institution is not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment.
- The Financial Institution is not liable for any failure to make a bill payment if you fail to promptly notify the Financial Institution after you learn that you have not received credit from a "Payee" for a bill payment.
- The Financial Institution is not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be the Financial Institution's agent.
- In any event, the Financial Institution will not be liable for any special, consequential, incidental, or punitive losses, damages, or expenses in connection with this agreement or the service, even if the Financial Institution has knowledge of the possibility of them.
- The Financial Institution is not liable for any act, failure to act or delay in acting if it is caused, in whole or in part, by any cause beyond the Financial Institution's reasonable

control.

## **7. AMENDMENT TERMINATION**

The Financial Institution has the right to change this agreement at any time by notice mailed to you at the last address shown for the account on the Financial Institution's records, by posting notice in branches of the Financial Institution, or as otherwise permitted by law.

- The Financial Institution has the right to terminate this agreement at any time.
- You may terminate this agreement by written notice to the Financial Institution.
- The Financial Institution is not responsible for any fixed payment made before the Financial Institution has a reasonable opportunity to act on your termination notice.
- You remain obligated for any payments made by the Financial Institution on your behalf.

## **8. SERVICE FEES**

Additional charges for customer requested services and other items charges to the account. There will be No Charge for any item, if needed, to correct a Financial Institution error.

- Written Correspondence to "Payee" : \$10.00
- Per proof of payment non necessitated by a dispute: \$10.00.
- Payments returned due to customer error: \$5.00.
- Reinstate Fee: \$50.00.
- Cancellation Fee: \$7.50.
- ACH Return Fee: \$10.00.
- Express Mail correspondence:\$15.00.

## **9. Miscellaneous Product Fees**

- Overnight Fee: \$14.95.
- 2nd Day Fee: \$9.95.
- Charitable Donations: \$1.99
- Gift Pay: \$2.99.

The Financial Institution reserves the right to charge you for research time involving payments no longer available in your screen history.

You will be informed of any such charges before they are incurred. Bill payments are processed by Electronic Fund Transfers (EFT). Please see the Electronic Fund Transfers Disclosure Statement included, or, received when you opened your account, which discloses important information concerning your rights and obligations.

## **E. Limitations and Dollar Amounts for Transfers and Payments**

You authorize Dakota Heritage Bank of North Dakota to withdraw, debit or charge the necessary funds from your designated Dakota Heritage Bank of North Dakota account on the date on which you schedule the payment to begin processing or submit a transfer request. 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. If you do not have a sufficient balance, including available credit under any overdraft protection plan, we may refuse to complete the transaction. In either case, we reserve the right to impose NSF, over-limit or similar fees, and no further attempt will be made by the Bank to issue the payment or process the transfer request. If your payment exceeds any of

the limits stated above, it will not be processed. The Bank is under no obligation to notify 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 all cases, you are responsible for making alternate payment arrangements or rescheduling the payment through the service.

#### ***F. Accounts Linked to Your Online Banking Services***

When you first set up your Online ID, we will link all of your eligible accounts. If you want to limit the accounts linked or the activity level assigned to an account, please call us at 701-874-2161 and a representative will discuss the available options with you.

### **V. Monthly Service Charge**

#### ***A. Monthly Service Charge***

There is no monthly service charge for accessing your accounts or for paying bills with the Online Banking service.

#### ***B. Other Charges***

You should note that depending on how you access Online Banking, you might incur charges for:

- Normal account fees and service charges.
- Any Internet service provider fees.
- Purchase of computer programs such as Personal Financial Management (PFM) software.
- Payments or transfers made through Online Banking services from a savings or money market account may result in an excess transaction fee. See your savings or money market account for details.

Additionally, fees may be assessed for added self-service features available through Online Banking customer service, such as stop-payment requests, check copy orders and account statement copy orders. Please consult your deposit account agreements to see if your accounts are subject to these fees.

NSF fees may also apply if you schedule payments or transfers and your available balance is not sufficient to process the transaction on the date scheduled.

We may charge you a research fee of \$20.00 per hour for an inquiry about a transaction that occurred more than 180 days before the date you make the inquiry. This fee will be waived if we determine that an error occurred.

#### ***C. Service Hours***

Online Banking services are available 365 days a year and 24 hours a day, except during system maintenance and upgrades. When this occurs, a message will be displayed online when you sign on to Online Banking.

#### ***D. Business Days***

For Online Banking services, our business days are Monday through Friday, excluding bank holidays.

#### ***E. Canceling Your Online Banking Services***



If you choose to cancel your Online Banking services, any unprocessed payments will be canceled. We recommend that you cancel any scheduled payments prior to notifying us that you are discontinuing the service. Dakota Heritage Bank of North Dakota will cancel any scheduled payments within two (2) bank business days from the date we receive your request to discontinue the service. If you close your primary checking account, or if it's no longer linked to your service, your Online Banking service will end, and any unprocessed payments will be canceled.

#### ***F. Joint Accounts***

When your Online Banking service is linked to one or more joint accounts, we may act on the verbal, written or electronic instructions of any authorized signer. Joint accounts using the same Online ID will be identified as one service.

#### ***G. Changes to Agreement***

We may change this agreement at any time. For example, we may add, delete or amend terms or services. We will notify you of such changes by mail or electronic message. If you maintain your Online Banking services after the effective date of a change, you indicate your agreement to the change.

#### ***H. Cancellation***

Your Online Banking services remain in effect until they are terminated by you or Dakota Heritage Bank of North Dakota. You may cancel your service at any time by notifying us of your intent to cancel in writing, through Online Banking secure mail, or by calling Online Banking customer service at 701-874-2161. This cancellation applies to your Online Banking services, and does not terminate your Dakota Heritage Bank of North Dakota accounts. We recommend that you cancel any scheduled payments prior to notifying us that you are discontinuing the service.

We may terminate your participation in Online Banking services for any reason, including inactivity, at any time. We will try to notify you in advance, but we are not obliged to do so.

#### ***I. Transfers from Money Market Accounts***

Federal regulations limit the number of preauthorized electronic fund transfers and telephone transfers - including Online Banking transactions - from money market deposit and savings accounts. You may make no more than six (6) preauthorized withdrawals, automatic or telephone transfers, checks, drafts, and debit card or other similar transactions from your account per month or statement cycle. Transfers and withdrawals made in person, by messenger or by mail are unlimited.

Payments to your Dakota Heritage Bank of North Dakota loans are counted toward this limit for money market accounts. We recommend that you not use a money market account as your bill payment account because of these restrictions.

#### ***J. Contact by Dakota Heritage Bank of North Dakota or Affiliated Parties***

No Dakota Heritage Bank of North Dakota or Payee employee, nor any company affiliated with Dakota Heritage Bank of North Dakota Online Banking, will contact you via email or phone requesting your Online ID or online password. If you are contacted by anyone requesting this information, please contact us immediately.

#### ***K. Reporting Unauthorized Transactions***

Call us at 701-874-2161. Online Banking customer service is available from 8:00 a.m. to 4:00 p.m., Monday through Friday, excluding bank holidays. You may also write us at:

Dakota Heritage Bank of North Dakota  
PO Box 268  
Hunter, ND 58048

**L. Initiating Payment Inquiries**

To initiate a payment inquiry, you may use Online Banking services to send the request via secure online mail. Or you may contact Online Banking Customer Service by calling 701-874-2161 to speak to a customer service representative.

**M. Disclosure of Account Information**

We will disclose information to third parties about your account or your transactions:

- When it's necessary for completing transfers or bill payments, or to investigate or resolve a problem related to a transfer or payment.
- To verify the existence and condition of your account for a third party, such as a credit bureau or merchant.
- To comply with a government agency or court orders, or at the request of a federal regulator.
- If you give us your permission.
- At our discretion, to our affiliates.
- On a closed account, if we reasonably believe you have mishandled it.

For more information on our Privacy Policy for Consumers, you can view it under the Privacy tab at [www.dhbanknd.com](http://www.dhbanknd.com).

**N. Account Statements**

We report your Online Banking transactions on the monthly statements for your account. A description of each transaction, including whom you paid, the date and the amount of the transaction will appear on your statement.

**VI. Additional Provisions Applicable Only to Consumer and Sole Proprietors Deposit Accounts**

**A. In Case of Errors or Questions about Your Electronic Transactions**

Send us a secure online mail message or call us at 701-874-2161 or write us at:

Dakota Heritage Bank of North Dakota  
PO Box 268  
Hunter, ND 58048

AT ONCE 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 password.
- Someone has transferred or may transfer money from your account without your permission.
- Bill payment transactions have been made without your authorization.

We must hear from you no later than 60 days after we have sent the FIRST statement on which the problem or error appeared.

If you tell us verbally, we may require you to send us your complaint or question in writing or via e-mail within ten (10) bank business days (Online Banking customers may use secure online mail). When you contact us, please provide the following information:

- Your name and account number.
- The date and dollar amount of the transaction in question.
- The name of the Payee if the transaction in question is a payment.
- The transaction number assigned by Online Banking, if available.
- A description of the transaction about which you are unsure.

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

We will determine whether an error occurred within 10 bank business days after we hear from you, and we will promptly correct any error we have made. If we need more time, however, we may take up to 45 days to investigate your complaint or question. In this case, we will provisionally credit your account within 10 bank business days for the amount you think is in error, so that you 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 your letter in 10 bank business days, we reserve the right not to provisionally credit your account.

If we conclude there was no error, we will send you a written explanation within three (3) bank business days after we complete our investigation. You may request copies of the documents that we used in our investigation.

### ***B. Limitation of Liability***

Tell us at once if you believe your Online Banking password has been compromised, or if someone has transferred or may transfer money from your account without your permission. The best way to minimize your loss is to call us immediately. The unauthorized use of your Online Banking services could cause you to lose all of your money in your accounts, plus any amount available under your overdraft protection.

You will have no liability for unauthorized transactions if you notify us within 60 days after the FIRST statement showing the transaction has been mailed to you. If you do not, you may not get back any of the money you lost from any unauthorized transaction that occurs after the close of the 60-day period, if we can show that we could have stopped the transaction if you had notified us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

When you give someone your Online Banking ID and password, you are authorizing that person to use your service, and you are responsible for all transactions that person performs while using your service. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. If you notify us that the person is no longer authorized, then only transactions that person performs after the time you notify us are considered unauthorized.

Transactions that you or someone acting with you initiates with fraudulent intent are also authorized transactions.

For your protection, sign off after every Online Banking session and close your browser to ensure confidentiality.

### ***C. Our Liability for Failure to Complete Transactions***

- If we do not complete a transaction to or from your account on time, or in the correct amount according to our Agreement with you, we will be liable for your losses or damages. However, there are some exceptions. For instance, we will not be liable:

- If, through no fault of ours, you don't have enough available funds in your account (or available credit under your overdraft protection plan), or credit to cover the transaction or transfer.
- If Online Banking services weren't working properly, and you knew about the malfunction when you started the transaction or transfer.
- If circumstances beyond our control (such as fire or flood) prevented the transaction or transfer, despite reasonable precautions we've taken.
- If there are postal delays or processing delays by the Payee.
- There may be other exceptions not specifically mentioned.

## **VII. Additional Provisions Applicable Only to Business Accounts (Other than Sole Proprietors)**

### ***A. Protecting Your Password***

You agree that we may send notices and other communications, including password confirmations, to the current address shown in our records, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that Dakota Heritage Bank of North Dakota will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business. You agree to: 1) keep your password secure and strictly confidential, providing it only to authorized signers on your account(s); 2) instruct each person to whom you give your password that he or she is not to disclose it to any unauthorized person; and 3) immediately notify us and select a new password if you believe your password may have become known to an unauthorized person. The Bank will have no liability to you for any unauthorized payment or transfer made using your password that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice. We may suspend or cancel your password even without receiving such notice from you, if we suspect your password is being used in an unauthorized or fraudulent manner.

### ***B. Acknowledgement of Commercially Reasonable Security Procedures***

By using Online Banking, you acknowledge and agree that this Agreement sets forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by instructions, whether authorized or unauthorized, which we implement in compliance with these procedures, unless you have given us prior notice of possible unauthorized use as described above (and we had a reasonable opportunity to act on such notice).

### ***C. Limitation of Bank's Liability***

If we fail or delay in making a payment or transfer pursuant to your instructions, or if we make a payment or transfer in an erroneous amount that is less than the amount per your instructions, unless otherwise required by law, our liability shall be limited to interest on the amount that we failed to timely pay or transfer, calculated from the date on which the payment or transfer was to be made until the date it was actually made or you canceled the instructions. We may pay such interest either to you or the intended recipient of the payment or transfer, but in no event will we be liable to both parties, and our payment to either party will fully discharge any obligation to the other. If we make a payment or transfer in an erroneous amount that exceeds the amount per your instructions, or if we permit an unauthorized payment or transfer after we have had a reasonable time to act on a notice from you of possible unauthorized use as described above, unless otherwise required by law, our liability will be limited to a refund of the amount erroneously paid or transferred, plus interest thereon from the date of the payment or transfer to the date of the refund, but in no event to exceed 60 days' interest. If we become liable to you for interest compensation under this Agreement or applicable law, such interest shall be calculated based on the average federal funds rate at the Federal Reserve Bank in the district where the Bank is headquartered for each day interest is due, computed on the basis of a 360-day year. Unless otherwise required by law, in no event will

the Bank be liable to you for special, indirect or consequential damages including, without limitation, lost profits or attorney's fees, even if we are advised in advance of the possibility of such damages.

Except as otherwise provided in this Agreement or by law, we are not responsible for any loss, injury, or damage, whether direct, indirect, special, or consequential, caused by the Online Banking service or the use thereof or arising in any way out of the installation, operation, or maintenance of your Electronic (phone, PC, Mobile Phone, etc.) equipment.

### **VIII. Electronic Disclosure and Consent**

You agree that we may provide you with all disclosures, notices and other communications about Online Banking, Business Online Banking, including the Online Banking Agreement and any future amendments, in electronic form. We will provide all future notices by posting them on the Online Banking Sign-In Page for a period of at least 30 days. You may download or print the notices from your computer if you have the hardware and software described below.

At your request, we will provide you with a paper copy of any of the above documents without any fee.

You have the right to withdraw this consent, but if you do, we will immediately terminate your participation in Online Banking and/or Business Online Banking. You may obtain copies of any documents we provided electronically or withdraw your consent by calling us at 701-874-2161.

### **IX. Your System Requirements**

In order for you to access and retain records in connection with Online Banking, Business Online Banking, and Transfers Outside Dakota Heritage Bank of North Dakota, your system must meet the following requirements:

- An IBM or Macintosh-compatible computer
- Internet access
- An Internet browser
- Firewall to protect your electronic devices
- A current version of an anti-virus and anti-spyware software

To print or download disclosures, you must have a printer connected to your PC or sufficient hard-drive space to save the disclosure.

### **X. Severability; Governing Law.**

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions shall remain valid and enforceable. This Agreement shall be governed by the applicable federal law and the applicable substantive laws of the State of North Dakota (exclusive of any conflict of laws rules of the State of North Dakota which may result in the application of the substantive laws of another jurisdiction).

### **XI. Indemnification**

Customer, in consideration of being allowed access to the Electronic Banking services, agrees to indemnify and hold the Bank harmless for any losses or damages to the Bank resulting from the use of the Electronic Banking services, to the extent allowed by applicable law.