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## Service Agreement for Online Banking and Bill Payment December 2008

1. **GENERAL.** "You" and "your" means each person agreeing to, using or accessing these services at Middleton Community Bank, both on your behalf and, if applicable, on behalf of your business as its authorized representative. "Us," "we" and "our" means Middleton Community Bank. When you use or you permit any other person(s) to use, any part of this service you agree to the terms and conditions of this Service Agreement and agree to comply with help screens. This Agreement and the services are also subject to other agreements between you and us including Rules for Deposit Accounts and Funds Availability Policies. In case of conflicts, this Service Agreement will control.
2. **ELIGIBLE ACCOUNTS.** To use the services, you must have an eligible account. Eligible accounts for online banking include Middleton Community Bank checking, savings, money market, CD & IRA's as well as consumer loan accounts and certain business loan accounts. Eligible accounts for bill payment are checking accounts only. Some (but not all) types of accounts that have multiple authorized signers for withdrawals can be eligible accounts. Deposit and loan accounts that have a common signer for withdrawals or a common borrower may be linked for access purposes. If your business is eligible to be included in the Service, the business accounts can also be linked with your personal accounts for access purposes. Be aware that any signer, acting alone, will be authorized to access a linked account. An account that requires 2 signatures for withdrawals may not be an eligible account.

Also, as discussed in Section 7, your ability to access accounts online, including certain personal accounts that have been linked to eligible business accounts, may be terminated if we are presented with, and in good faith rely on, resolutions or any other documentation purporting to remove you as a signer or authorized user from any eligible business account.

### 3. TYPES OF SERVICES; TRANSACTION PROCESSING TIMES; LIMITATIONS.

#### Online Banking

- a. Funds Transfers. You may use online banking to perform unlimited transfers between eligible accounts, provided that you perform no more than 6 transfers per month from any savings or money market account. All online banking transfer requests received after 6 PM on business days or requested on Saturday, Sunday or Holidays will be processed on the next business day.
- b. Balance Inquiries. You may use online banking to check the current balance and other account information on all of your deposit accounts and most loans.
- c. Account Services. You may use online banking to view copies of checks, transaction sets and deposit statements, place stop payments on checks, download your account information to personal management software and set up account alerts. (I.e. to be notified if an account reaches a certain balance or a certain check clears.)

#### Bill Payment

- a. Make Payments, "Make Payments" are payments that you enter each time you want to make a payment. You schedule the date that you want the Bank to send the payment(s) ("Payment Date"). The Payment Date is the date that the Bank processes your payment, but it is not necessarily the date that your payment is processed by the payee. Please refer to the processing times set forth in this Section for more information.
- b. Automatic Payments, "Automatic Payments" are sent automatically on an outgoing basis. You set up payment rules based on the frequency, amount, and timing of a payment, however, the amount of an Automatic Payment is fixed and will not fluctuate unless you change the amount through the bill payment system.
- c. Processing Time. Payments submitted, recurring or one time, before 2:00 AM CST Monday-Friday will be processed at 2:00 AM CST. Payments submitted between 2:00 AM CST and Noon CST will be processed at 12 Noon CST. Payments received after 12:00 Noon CST on Monday-Thursday will be processed the next business day. Payments received after 12:00 Noon CST on Friday will be processed the next business day. All payments scheduled to go on a weekend will be processed on the processing day before the weekend. All payments scheduled to go on a holiday will be processed the day before that date. Payments entered on the weekend, recurring or one time, will be processed on the next business day. To ensure on-time payments, allow at least 2 Business Days for electronic and 5 Business Days for standard check payments.

### 4. AUTHORIZATION FOR SERVICES

- a. General. With regard to all Services, you are responsible for having sufficient and available funds on deposit to make payments in full or transfer on scheduled dates. **Check payments** are handled in the same manner as a check written out of your checkbook. When the check is presented to our bank, we may deduct payment from your designated account, even if the check creates an overdraft. You are liable for all overdraft fees.
- b. **Electronic payments** are verified for funds availability during processing. If the funds are available, the account that you selected for the payment will be debited and the information sent on to the electronic vendor for processing. If the funds are not available, the electronic payment will not be processed and you will receive a message to inform you that the payment could not be sent due to insufficient funds. Each day the electronic payment will be resubmitted for you until either you delete the payment or the funds are in the account to make the payment.
- c. Bill Payment Service. You authorize us to follow your payment instructions. For an Electronic Payment, funds are debited the same day that the payment is sent, providing it is sent by 12:00 Noon CST. **Electronic payments** submitted after 12:00 Noon CST is debited the next day during bill pay processing. **Check** payment funds are debited from the account when the check clears your account at the bank.

## 5. UNAUTHORIZED TRANSACTIONS

An "unauthorized transaction" is an online banking transfer or bill payment that does not benefit you; it is not caused by your negligence or intentional act and is made by a person who does not have authority to make such payment or transfer. A transaction by a joint account holder or other person with an interest in your account is not an unauthorized transaction. Contact us immediately if you believe someone has obtained your password or if someone has transferred or may transfer money from your accounts without your permission. Contacting us at 608 824-3200 is the best way of minimizing your losses. Alternatively you may fax or write us at the address at the end of this agreement.

## 6. YOUR LIABILITY AND RESPONSIBILITIES

You will have no liability for unauthorized transactions to or from a personal account if you notify us within 60 days after the statement showing the transaction has been mailed or made available to you. If you do not notify us within this 60 day time period, you may lose any amount transferred without your authorization after the 60 days, if we can prove that we could have stopped the unauthorized transactions if you had told us in time. Upon termination of any service, you will be responsible for making arrangements to pay any future, recurring or automatic payments. We reserve the right to refuse to pay a Payee for any reason that we deem sufficient including, without limitation, if (a) your designated account has insufficient available funds, (b) Payee has refused to accept a payment, (c) you attempt to make a payment directly to a governmental agency or a to a Payee outside of the United States or a U.S. Territory, (d) you attempt to make a court directed alimony or support payment, or (e) you are making payments to a Payee, the underlying purpose of which violates any state or federal law.

Except where expressly stated otherwise, you are solely responsible and liable for paying your bills and for making alternative arrangements of receiving or paying your bills if for any reason you cannot access Services on the Middleton Community Bank web site or Services are terminated by you or us.

### YOUR REMOVAL FROM AN ELIGIBLE BUSINESS ACCOUNT

If you are a signer or an authorized user on an eligible business account, as described in Section 2, we may, in good faith, rely on resolutions or any other documentation presented to us which purports to remove you as a signer or authorized user on such business account. If you are removed, your online access to such accounts will be terminated. In the event you have linked your personal accounts to such business accounts, your ability to view your personal accounts statements online may also be terminated. In the event you are removed as a signer from a business account to which you have previously linked personal accounts, you should contact us immediately at 608 824-3200. We will help you create a new online banking profile that will allow you to regain online access to your person accounts.

**USER ID AND PASSWORD.** The User ID and password issued to you is for your security purposes. Your password is confidential and should not be disclosed to third parties. You are responsible for safekeeping your password. You may change your password at any time by clicking on "Options." For security purposes, the system will automatically prompt you to change your password if you have not changed it in 45 days. You should carefully select a password that is hard to guess. (We suggest that you stay away from names, dates, and information that may be easily guessed.) You agree not to disclose or otherwise make your password available to anyone not authorized to sign on your accounts.

**LOST OR STOLEN PASSWORD.** If your password has been lost or stolen, call Middleton Community Bank immediately at 608.824.3200; 8:00 a.m. to 5:00 p.m. Phoning the bank is the best way of minimizing your losses. If you believe your password has been lost or stolen and you telephone or write us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone uses your password without your permission. If you do not telephone or write us within two business days after you learn of the loss or theft of your password, and we can prove we could have stopped someone from using your password without your permission if you had told us, you could lose as much as \$500.

## 7. INACTIVE/TERMINATION. You agree that we may terminate this agreement if:

- a. You or any authorized user of your password breach this or any other agreement with us.
  - b. We have reason to believe that there has been an unauthorized use of your account or password.
  - c. Account has not been active in the last 90 days or all account relationships have been closed.
  - d. We notify you that your account has been cancelled or will cancel this agreement.
  - e. You or any authorized users to your account can terminate this Agreement by notifying us in writing.
- Termination of service will be effective within 2 business days following receipt of your written notice. Termination of the Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

## 8. FINANCIAL INSTITUTION'S LIABILITY. The date that a Payee credits a payment depends upon the payment or processing procedures of the Payee as well as any specific requirements for payments. We will use good faith efforts to complete all of your transactions properly. However we incur no liability if we are unable to complete any payments or transfers properly because of any one of the following circumstances:

- a. Your designated account does not contain sufficient available funds to complete the transfer or the payment or transfer would exceed the credit limit of your designated account's overdraft line.
- b. Your failure to follow a Payee's payment requirements.
- c. The services, our equipment, the software, or communication link is not working properly.
- d. The Payee delays posting a payment, or refuses or is unable to accept a payment.
- e. If you have not provided us with the correct name(s), address or account information for Payee.
- f. You fail to provide Payee or us with your updated or changed personal information.
- g. Your subscription to the service has been terminated for any reason.
- h. If circumstances beyond our control including, but not limited to, fire, flood or interference from an outside force, prevent the proper execution of the transaction.
- i. The transfer of your funds is restricted by legal process or holds.
- j. You fail to logon to the Middleton Community Bank online banking Web site to check on the delivery or status of a bill payment.
- k. You fail for any reason to receive a notification or reminder regarding the delivery or status of a bill payment
- l. Delays in any mail service or e-mail services
- m. Other exceptions stated in this agreement or related agreements or Rules for Deposit Accounts and Funds Availability Policy.

Provided none of these circumstances are applicable, if we cause an incorrect amount of funds to be removed from your designated account or cause funds from your designated account to be directed to an improper person, we shall be responsible for returning the improperly transferred funds to your designated account.

If you follow all of the procedures described in this Service Agreement as well as on any online help screens, and if we, solely as the direct result

of our error, misdirect or fail to timely send a properly authorized and properly set up payment or transfer, then we will reimburse you for any late charge penalty assessed by a Payee, because your payment was received late. If, solely as a direct result of our error, we incorrectly execute the amount of your payment or transfer request, and then we will credit or debit your account, whichever may be applicable, with the difference between the actual amount that we debited and the proper amount that should have been debited. If, solely as a direct result of our error, we send a payment or transfer to an incorrect person, then we will return the improperly transferred funds to your account and subsequently pay or transfer the funds from your account to the proper Payee. In all other events, the risk of incurring and the responsibility for paying any and all late charges or other damages or penalties shall be borne exclusively by you. If you think you are entitled to a reimbursement for a late charge penalty, call us a 608 824-3200.

**9. DAMAGES.** Our responsibilities above for late charges and incorrect or misdirected payments or transfers shall constitute our entire liability and your exclusive remedy. In no event shall we be liable for any direct, indirect, special, incidental or consequential damages, including lost profits (even if we have been advised of the possibility of these damages) caused by the service or the use of the services or arising in any way out of the installation, use, or maintenance of your personal computer, software or any internet access services.

**10. WARRANTY DISCLAIMER.** The services and related documentation are provided "as is." We do not make any warranties of any kind, either express or implied, concerning the hardware, software or any part thereof, including without limitation, any warranty of merchantability or fitness for a particular purpose.

**11. EQUIPMENT REQUIREMENTS.** You are responsible for obtaining, installing, maintaining and operating all necessary hardware, software and Internet access services necessary for performing online service. We will not be responsible for failures from the malfunction or failure of your hardware, software or any Internet access services.

**12. FEES** If applicable to you and your account, you agree to pay the fees for the Services in accordance with our fee schedules and disclosures as established and amended by us from time to time. We may automatically deduct these fees from an eligible account even if they create an overdraft, and we may assess the appreciate overdraft fees.

### **13. CHANGES; AMENDMENTS; REVISIONS**

We reserve the right, at our discretion, to add, delete, change, modify, alter, or discontinue the Services or any aspect, feature or function of the Services at any time, including content, hours, and equipment needed to access or use. We also reserve the right, at our discretion, to add, delete, change, modify, or amend any fees, help screens or other terms and conditions of this Service Agreement at any time. Unless an immediate change is necessary to ensure the security of the Services or your accounts, we will send you notice to the mail address or e-mail address we currently possess in our file at least 30 days before the effective date of any changes if required by law. If provided electronically, disclosures will be provided to you in one of several ways. These are as follows: (a) by online banking message, (b) by e-mail address we have on record, (c) by access to a Web site that we will identify in an e-mail notice we send to you at the time the information is available, or (d) to the extent permissible by law, by access to a Web site that generally we will identify in advance for such purpose.

Any use of the Service after we send you a notice of Change will constitute your agreement to such Change(s).

### **14. TERMINATION OR DISCONTINUATION**

In the event that you wish to discontinue any or all of the services, you must contact us in writing. **Written notice of service discontinuance must be supplied 10 Business days prior to the actual discontinuance date and must be sent or faxed to:**

**Middleton Community Bank  
3207 Parmenter St  
Middleton WI 53562  
Or  
Fax us at: 608 831-3738**