

Bank of Herrin

Online Banking Services Agreement

Business Name: _____

Business Principal: _____ Title: _____

Address: _____

Phone #

Email address: _____

Tax #

Note: Complete the following only if the business principal wishes to designate someone other than himself or herself as the Online Banking Administrator.

On Line Banking Administrator: _____

Title: _____

On Line Banking Administrator: _____

Title: _____

On Line Banking Administrator: _____

Title: _____

This agreement (the "agreement") is between the Business ("the Business") and the Bank of Herrin ("bank") for the delivery of Cash Management Systems as described below.

Section 1. Definitions

Accounts: Any commercial or personal account included on the Cash Management Application and approved by the Bank in writing.

User: Any individual that the Business Principal has authorized the access and use of the Cash Management System according to the rules and procedures described therein.

Business Day: Monday through Friday, excluding any Federal Holidays.

Current Balance: The account balance that is the result of the total debit and credit activity as of a specific date and time for all accounts.

Collected Balance: The current balance of the account less float.

Available Balance: The current balance of the Account minus holds and memo posted debits plus memo posted credits.

Float: The dollar amount of deposited items that are in process of collection from the drawee banks. Also known as uncollected funds.

Hold: A restriction on payment of all or any part of the balance in an account.

Memo Posted Debits: Any debits being posted to the account for the business day. For example wire transfers, ACH debit transactions, and teller cashed checks.

Memo Posted Credits: Any credits being posted to the account for the business day. For example, ACH credit transactions.

Section 2 Function capabilities

As a member of the Cash Management System, the Business may request any of the services listed below. The specific services selected by the Business are set forth in Addendum A. The Business agrees that Addendum A may be updated from time to time.

- a. Perform account inquiries account data and transaction history on the accounts.
- b. Initiate transfers between any accounts set up within Cash Management, except time accounts and passbook savings. Refer to Addendum B for a list of accounts. The business is limited to six pre authorized automatic transfers or withdrawals per month from money market and savings accounts. No more than three of the six withdrawals may be made by check, draft or debit card where the funds are payable to third parties. Transfers made via Cash Management are included in these limits. At Bank's option, we may decline to process any transactions in excess of these limits, convert your account to a non-interest bearing account or close your account. Transfers and/or withdrawals made in person at Bank are unlimited, however. The Business is not allowed to transfer more than the Available balance from any deposit account.
- c. Initiate ACH transactions. The Business understands that ACH transactions received must provide for a one business day lead-time prior to the effective due date. Transactions received after the Bank's cutoff time (1:00 p.m. Central Time) will not be processed until the following business day. ACH transactions must be in accordance with the appropriate ACH Origination Agreement.

Section 3. Acknowledgements and Responsibilities

- a. The business is responsible for obtaining, maintaining, and updating the necessary hardware and related equipment needed to use the Cash Management System. As of the date of this Agreement, the necessary equipment includes:
 - Internet connection
 - Web browser with 128 bit encryption

Bank will notify Business of any changes in equipment Requirement.

- b. Bank reserves the right to eliminate or change any of the functions or capabilities of Cash Management System without prior notice.
- c. Bank agrees to conduct initial training for the Business to setup the initial security provisions for Cash Management System. Bank is not responsible for Business's actions or negligence in setting up the Business Principal, System Administrator or User's security access to Cash Management System. Bank also is not responsible for assigning ID's to the appropriate employees. Business Principal, System Administrator and Users will not make any passwords or user Ids available to any unauthorized persons. Bank offers a further security under Cash Management whereby the Bank and Business can establish dollar limits for transactions. Bank and Business agree that the password, User ID, dollar limits and security procedures provided under Cash Management System are commercially reasonable. Bank and Business also agree that transactions conducted under the Business Principal, System Administrator and User Id's shall be deemed to be authentic payment orders binding on the Business. The Business is responsible for all transactions made under Cash Management User Ids and password security system, regardless of whether such transaction was authorized.
- d. Bank will not be liable for any unauthorized use of the Cash Management System or for any loss resulting there from. Business will notify Bank immediately if the Business believes that the Principal, System Administrator or a user's ID and/or Password have been used without the Business permission. The Business will also notify Bank if it believes that the Principal, System Administrator or a user's Id and/or password has been compromised in any way.
- e. Employees, owners, officers and directors of Business will not disclose any information pertaining to the use or components of the Cash Management System.
- f. The business has received and understands all signature card rules and regulations all agreements and disclosures connected with opening accounts. Business acknowledges that this agreement is in addition to any of those agreements and disclosures.
- g. The business may communicate with the Bank to upload ACH transactions during the following hours:

Monday through Friday	8:00 a.m. to 2:00 p.m. central time
Saturday, Sunday and Holidays	No access

- h. The business will continue to receive regular account statements that describe all transactions for the Accounts, including transactions the Business initiated through Cash Management System. The Business is responsible for prompt review of all statements and reporting irregularities to the Bank at once. For electronic transactions governed by Regulation E (the Electronic Funds Transfer Act), errors must be reported within 60 days. All other discrepancies must be reported within 30 days after the statement date.
- i. Any pricing or policy changes adopted by the Bank in the future will amend or modify this agreement, but will not nullify it.
- j. This Agreement shall continue until the Bank receives written notification of the Business's revocation or until Bank advises Business in writing that Bank will not continue to provide this service for Business. Termination by either party does not relieve the Business of its liability for transactions or responsibilities for payment of fees incurred prior to the termination.
- k. The bank agrees to add and/or terminate services provided, as described in Addendum A, to the Business within a reasonable time period after receipt by the Bank of written notice by the Business.

Acknowledgement, Responsibilities and Liabilities of the Bank

- a. Bank will provide training, at the time of installation, on use of Cash Management.
- b. The bank has entered into a licensing agreement with Digital Insight for the delivery of Internet Banking and Cash Management System. The Cash Management System shall be considered a part of Digital Insight. All rights, title and interest in the Internet Banking and Cash Management System shall remain with Digital Insight.
- c. Except for acts of gross negligence or willful breach of duties by Bank, Bank will not be liable to principal for any matters related to this agreement, including but not limited to, lost profits, consequential, special or punitive damages whether resulting from inaccuracies, delays in transmission or any other cause.
- d. Bank makes no warranties or representations with respect to the Cash Management System, whether expressed or implied, including, but not limited to, warranties of merchantability, or fitness for a particular purpose.

Section 5 Joint Acknowledgement and Representations

- a. This agreement is governed by and will be interpreted under the laws of the State of Illinois.
- b. This agreement incorporates by reference all information on Business Principal's Account Application, which Business Principal represents as true and complete in all respects.
- c. Business principal has read and understands this Agreement and has been given an opportunity to review this Agreement with the advisor of its choice, if so desired.
- d. Upon occurrence of any overdraft in incurred in the Accounts, Bank shall have the right at the Bank's sole discretion to (i) refuse payment of any outstanding unpaid check drawn on any Account listed on Account Application, (ii) withhold from processing any transaction generated on the Account (including Cash Management System generated) until sufficient collected funds to cover the transaction are in the Account.
- e. Each party represents and warrants to the other that it is authorized to enter into the Agreement.
- f. Business may not assign its rights under this agreement without the prior written approval from Bank.
- g. If at any time any section of the Agreement is found to be invalid, the remaining sections shall remain valid and enforceable.

Security Procedures

Client Responsibility for PINS and Codes

Business is responsible for maintaining confidentiality of all PINS, codes and other devices used to protect the authenticity of the payment orders. If the business has reason to believe that any PINS, codes or other device has been or may become known by or compromised by an unauthorized person, Business agrees to

immediately notify the Bank at 618-942-6666. This duty to notify bank extends to Business whether or not the unauthorized person gaining the PIN, code or other device is employed by Business. Business further agrees to confirm oral notice to bank in writing within 24 hours of the report of the loss, theft, or misplacement of the PIN, code or other access device.

Bank will issue new PINS and codes to the client in accordance with Bank's security requirement. Bank reserves the right to change codes and PINS at any time by giving reasonable prior notice to Business. Bank also reserves the right to deactivate PINS, codes or other access devices in the event that Bank has reasonable basis to believe that Business PIN, code or other access device has been compromised.

Compensation

Subject to the foregoing limitations, bank's liability for loss of interest from its error or delay shall be calculated applying a rate equal the average federal funds rate as published in the Wall Street Journal. This rate will be applied to the principal amount of the error for the period involved.

Addendum A

- a. This agreement made this _____ day of _____, 20__ by and between the Bank of Herrin and the Business named above.
- b. Bank agrees to provide the services selected below by Business.
- c. Business agrees to provide the Bank with written notice if Business wishes to modify services stated below.
- d. Services (Select all that apply):

Account Inquiry _____
Transfers _____
ACH Origination* _____

*Please Note: ACH origination requires credit approval from the Bank. Please contact a bank representative to request ACH origination.

Acceptance of this Agreement and Addendum:

By the signature of Business Principal below, Business hereby accepts the terms and conditions of this Agreement and all Addenda thereto outlined above.

Business: _____

Business Principal: _____

Signature: _____

Title: _____

Date: _____

By the signature of Bank's authorized officer below, Bank hereby accepts the terms and conditions of this Agreement and all addenda thereto outlined above.

By: _____

Signature: _____

Title: _____

Date: _____

Cash Management Fee Schedule

<u>Description</u>	<u>Fees</u>
Initial set up of Cash Management System in local area (5 mile radius)	Free
Cash Management monthly fee	Free
ACH per file Fee	\$3.00
ACH Origination (maximum)	\$30.00 per month
Additional on site training and maintenance of Cash Management System (5 mile radius)	\$20.00 per each hour on site
Additional in bank training for Cash Management System	Free
Telephone Support of Cash Management System	Free
Overdrafts whether item is paid or returned	\$30.00 per item.

*** The above fees are subject to change.**