

## **ELECTRONIC DISCLOSURE CONSENT AND AGREEMENT**

### **Informed Consent to Receive Electronic Disclosures**

This disclosure documents your consent to conduct transactions electronically and to electronically receive disclosures and notices relative to the account(s) you maintain with us online, as well as the consequences of withdrawing your consent. We recommend you print and retain a copy of this disclosure and all the disclosures and agreements related to this transaction. We reserve the right to provide any disclosures or notices in writing rather than electronically.

Your consent is required prior to receiving electronic disclosures. The electronic disclosures you will receive, apply to these account(s) only, excluding your periodic statements. You will receive the following disclosures:

- Terms and Conditions of Your Account;
- Electronic Statement Agreement;
- Personal Online Banking Agreement and Disclosure Statement;
- Funds Availability Policy;
- Schedule of Other Services

To receive electronic statements, please visit our Online Banking web page and sign into your Online Banking to retrieve your Electronic statements. Please note, you will only have access to electronic statements if you have enrolled your accounts for Sierra eStatements.

You understand you will be responsible for viewing your disclosures and notices. You agree to be bound to all rules and regulations applicable to your deposit account and any other contract for services at Bank of the Sierra as established and amended by Bank of the Sierra.

You agree that Bank of the Sierra does not need to provide you with a paper copy unless specifically requested by you. Paper copies of disclosures and notices will be mailed to you at no charge. Paper statement fees will apply if requested.

### **The Effect of Your Consent**

By consenting to these terms, you acknowledge and agree with the terms stated herein, and that you can access, view, and retain the paperless documents in either HTML or PDF formats, as applicable. You understand that you should contact the Bank of the Sierra Customer Service Center at 1-888-454-BANK (2265) to report any problems you may encounter when receiving the disclosures noted above.

### **Hardware and Software Requirements**

Our electronic disclosures may be made available in HTML (regular web hypertext) or in PDF format. You will need the following:

- An operating system and an internet connection capable of receiving, accessing, displaying and either printing or storing communications received from us in electronic form via a plain text-formatted e-mail or by access to our website using a browser with requirements listed below
  - Internet browser that supports 128 bit encryption;
  - Adobe Acrobat Reader 7.0 or higher;
  - Sufficient electronic storage capacity on your computer's hard drive or other data storage unit

### **Liability**

Bank of the Sierra will not be responsible for consequential or incidental damages arising from unauthorized access to the delivery of the above noted disclosures, damages arising from your inability to access your electronic disclosures, including computer, e-mail, or internet malfunctions, or any cost associated with updating, modifying or terminating your software or hardware.

### **Updating Your Records**

It is your responsibility to provide us with true, accurate and complete e-mail address, contact, and other information related to this Disclosure, and to maintain and update any changes to this information. You may update your information through the secure Online Banking request or in writing at Bank of the Sierra, P O Box 1930, Porterville, CA 93258

### **Withdrawing Your Consent**

You have the right to withdraw your consent to receive electronic communications. We will not impose any fees to process the withdrawal of your consent to receive electronic communications. To withdraw your consent at any time you may contact us by any of the options listed in the Contact Bank of the Sierra section below.

### **Contact Bank of the Sierra**

If you have questions regarding this disclosure, the Terms and Conditions of Your Account or the Schedule of Other Services, please contact Bank of the Sierra:

- Via the Secured Online Banking request; or
- Toll Free 1-888-454-Bank (California); or
- Written communications at Bank of the Sierra, P O Box 1930, Porterville, CA 93258

## Online Banking Agreement and Disclosure Statement

This Bank of the Sierra Online Banking Agreement and Disclosure Statement (this "Agreement") governs the use of the Internet Banking Services described herein which include Online Banking, an Internet account access service, and Online Banking with Bill Pay, an internet bill payment service (collectively referred to as "the Services"), which are offered by and through Bank of the Sierra ("Bank"), to each customer whose request for the Services is approved. Each reference in this Agreement to "you" or "your" means each customer who submits an Online Banking Enrollment form and refers to all such customers jointly and severally. By submitting the Enrollment, you acknowledge that you have read, understood and agree to the terms of this Agreement. Please read this Agreement carefully and keep a copy for your records.

### 1. USE OF Online Banking

1. **Account Requirements.** In order to subscribe to Online Banking, you must have at least one account with us designated on the Enrollment. You may access other checking accounts, savings accounts, money market accounts, certificates of deposit, and loan accounts you have with us (collectively the "Accounts"). Use of the Services will be subject to the Deposit Account Agreement and Disclosure and any loan agreement for each Account (the "Account Agreements").

WAIVER OF REQUIREMENT FOR TWO SIGNATURES. Principles recognize that any requirement of verifying two signatures on checks, if such a requirement exists, does not apply to electronic or telephone transfers, including online bill payments, and release Bank from liability when making such transfers or payments. This means that any person who is authorized to act as a signer on your account shall be authorized by you to individually make electronic or telephonic transfers, including online bill payments from your account, even though that person's authority to transfer or withdraw funds from your account by some other means (e.g., by check) must be exercised jointly with one or more other persons.

#### 1. Online Banking Requirements and Availability

1. **Access.** To use the Services, you must have at least one account with Bank of the Sierra and access to the Internet service. Your browser must have encryption capabilities at a minimum 128-bit level. You will need a modem with a minimum speed of 28.8 kilobits per second (Kbps). You are responsible for the set-up, compatibility and maintenance of your computer and modem and agree that we are not responsible for such set-up, compatibility or maintenance.
2. **Availability of Service.** The Services will be accessible 24 hours a day, seven days a week. The Services may be inaccessible for a reasonable period on a daily basis for system maintenance. The Services may also be unavailable due to Internet access interruptions, equipment problems or other disruptions to service. We shall not be liable under this Agreement for failure to provide access for any reason. Your access to the Services shall be determined in the sole discretion of the Bank. Subject to applicable law, the Bank

reserves the right to modify, suspend, or terminate access to the Services at any time and for any reason without notice or refund of previously incurred fees, if any. We reserve the right to limit the types and number of accounts eligible and the right to refuse to make any transaction you request through Online Banking. We may also reserve the right to modify the scope of the Service at any time.

## 1. User ID and Password.

1. **Consumer Service.** Each authorized user of Personal Online Banking service has a User ID and a Password. For Consumer Service (personal accounts), the initial User ID is the social security number of the first person designated on the account signature card. Bank of the Sierra recommends you change your User ID to a unique login name and you will be required to change your password with your first login. **You should keep your Password confidential and in a secure location. Any person having access to any of your Passwords will be able to access the Service and perform transactions, including reviewing Account information and making transfers to other Accounts and, if Bill Pay is selected, to third parties.** We recommend, and reserve the right to require, that you change your Passwords from time to time for security reasons. **Neither Bank of the Sierra nor any of its service providers will ever ask you for your password and you should never give it to anyone unless you know them and want them to have access to your accounts.**
2. **For Business Service.** Each authorized user of Business Online Banking service has a User ID and a Password. For Business Service (business accounts), the initial User ID will be assigned by the Bank with the password being the last four of the business Tax ID number. Bank of the Sierra recommends you change your User ID to a unique login name and you will be required to change your password with your first login. **You should keep your Password confidential and in a secure location. Any person having access to any of your Passwords will be able to access the Service and perform transactions, including reviewing Account information and making transfers to other Accounts and, if Bill Pay is selected, to third parties.** We recommend, and reserve the right to require, that you change your Passwords from time to time for security reasons. **Neither Bank of the Sierra nor any of its service providers will ever ask you for your password and you should never give it to anyone unless you know them and want them to have access to your accounts.**

1. You agree that the Passwords constitute a "commercially reasonable" security procedure for the verification of the authenticity and accuracy of transactions initiated through the Services. You authorize us and our service provider to rely and act upon any transaction or inquiry initiated through the Services using the Passwords and agree to be responsible for any such transaction or inquiry that is processed in good faith.

1. **Business Days.** Our "Business Days" are Monday through Friday, excluding federal holidays.

2. **Fund Transfers and Account Information.**

1. **Online Banking Service.** You may use Online Banking to:  
(i) view current balance information and several months of transaction information for your Accounts; (ii) transfer funds between your Accounts that are checking, savings, or money market; and (iii) import or export your Account information to and from Quicken or Microsoft Money financial management software.
2. **Fund Transfers - Authorization.** You may transfer funds between your Accounts that are checking, savings or money market deposit accounts in any amount. When you request a fund transfer using Online Banking, you authorize us to follow the transfer instructions and transfer the funds from the designated originating Account to the designated recipient Account. The "Processing Date" is the date that the fund transfer is actually made and is normally the day you request such transfer. However, if our data processing system is not functioning or accessible for whatever reason, your funds transfer may not be completed until the next day. We deduct the amount of your fund transfer from the designated originating Account on the Processing Date. We may refuse to act on your fund transfer instruction if sufficient funds, including funds available under any overdraft line of credit plan, are not available in your Account on the Processing Date. Funds transferred to the designated recipient Account will be deemed deposited on the Processing Date and will be available thereafter in accordance with our funds transfer availability policy.
3. **Account Information.** The Account balance shown will be current as of most recent update. The Account balance may reflect deposits still subject to collection or verification by us (and subject to being reversed) and may not reflect deposits or loans in progress, outstanding checks or payments, or other withdrawals, payments, credits, or charges.

## USE OF ONLINE BANKING BILL PAYMENT SERVICE

1. **Account Requirements.** In order to subscribe to Bank of the Sierra's Online Banking with Bill Pay Service ("Bill Pay"), you must have previously enrolled as an Online Banking user and separately enroll for the Bill Payment service. You must have a Bank of the Sierra checking account to use the Bill Pay service. The following additional terms and conditions relate to your use of Bill Pay.
2. **Bill Pay Service.**
  1. **Bill Payments.** You may use Bill Pay to pay bills. With Bill Pay you may: (i) make current, future, or recurring payments to certain companies or individuals you select; and (ii) make current, future, or recurring payments directly to your loan or credit accounts with us. You may make Bill Payments in any amount up to the amount in your account on any business day. Bill Payments may not be made to pay taxes or child support, alimony or other court-ordered obligations. Bill Pay service is provided through **iPay Solutions**, a third party Internet Bill Payment service provider that is not affiliated with Bank of the Sierra. As used in this Agreement regarding the Bill Pay service, "Us" or "We" refers to Bank of the Sierra and/or iPay Solutions.
  2. **Payment Account.** When you sign up for Bill Pay, you must designate a checking account with us as the account from which Bill Payments should be made (the "Payment Account").
  3. **Payees.** You may designate payees through Bill Pay (each, a "Payee"). You must provide sufficient information about each Payee as requested from time to time to properly direct a payment to that Payee and permit the Payee to identify the correct account to credit with your payment. This information may include, without limitation, the name and address of the Payee and your account number assigned by the Payee. The Payee must have a United States payment address that can be verified in the ordinary course of business.
  4. **Authorization.** When you schedule a bill payment using Bill Pay, you authorize us to follow the payment instructions and transfer funds from your Payment Account with us to the Payee. We may refuse to act on your instruction if sufficient funds, including funds available under any overdraft plan, are not available in your Payment Account on the date you want us to process your payment (the "Processing Date"). We reserve the right to refuse to make any bill payment.
3. **How Bill Payments are Made, Changed, or Canceled.** The 'Payment Date' is the date in which the payee is scheduled to receive the payment. The Payment date may be up to four (4) business days after the date in which the payment is scheduled.

1. **Method of Payment.** You authorize us to make the bill payments you request through Bill Pay in any one of the following ways. Bill payments may be sent through an electronic transmission to the Payee. Payees that receive electronic delivery will receive your payment information, including your account number. A draft check drawn against your Payment Account with us to the payee. All checks are sent through the United States mail.
  2. **Recurring Payments.** You may schedule a bill payment to be automatically initiated in a fixed amount on the same Payment Date every month by designating the bill payment as a "Recurring Payment". The date on which a bill payment is scheduled to be initiated is referred to below as the "Processed Date".
  3. **Change Payments.** You may change a scheduled bill payment by editing the payment in your bill pay account prior to the 'process date' for that transaction.
  4. **Cancel Payments.** You may cancel a scheduled bill payment by cancelling the payment in your bill pay account prior to the 'process date' for that transaction.
1. **Scheduling Payments.** We will deduct the Bill payment amount from your account in one of two ways, depending on the means by which the payment is made to the payee.

If the payee will accept electronic payments, the payment amount will be deducted from your account on the 'Processed date'. If the payee will not accept electronic payments, and a laser draft drawn on your account is issued to the payee, the payment amount will be deducted from your account on the date that the payee presents the check for payment.

To ensure that your bill payments arrive on time, you must schedule the Payment Date for each bill payment to be at least four (4) Business Days before the Payment Due Date, not including any applicable grace period. This generally allows sufficient time for the Payee to receive and post your bill payment. We are not responsible for postal delays or processing delays by the Payee.

1. **Sufficient Available Funds.** If sufficient funds are not available in your Payment Account on the day that the bill payment is presented for payment, the Bank reserves the right to return the payment back to the payee as unpaid. You agree to pay an Insufficient Funds (NSF) fee as set forth in our Schedule of Other Services and that the fee will be automatically debited to your Payment Account. If sufficient funds are not available in your Payment Account on the day that the bill payment is processed (electronic payments), the Bank will have iPay Solutions attempt to process the payment for six (6) additional times within a three day period. After the 6<sup>th</sup> attempt if there are still not sufficient funds for the payment, it will be canceled. An e-mail notification will be sent

to the e-mail address within your Bill Pay profile for any payment canceled due to NSF.

1. **GENERAL TERMS AND CONDITIONS** - The following terms and conditions apply, as appropriate, to your use of Online Banking and to Online Banking with Bill Pay.
  1. **Limits of Transfers from Accounts.** Federal regulations limit the number of certain types of transfers from savings and money market accounts. Bill Pay is not allowed from a money market account or savings account. On money market and savings accounts, you are limited to six pre-authorized electronic fund transfers and telephone transfers, checks and point-of-sale transactions, per month. Each fund transfer through Online Banking from your savings or money market deposit Account is counted as one of the six transfers you are permitted each month. Your ability to transfer funds from certain Accounts is also subject to the Account Agreements. You should refer to these agreements for legal restrictions and service charges applicable for excessive withdrawals and transfers.
  2. **Bank Fees for Service.**
    1. **Fees.** You agree to pay fees and charges assessed by the Bank for use of the Services as established from time to time according to the Bank's current fee schedule. See our current Schedule of Other Services that is available at any branch.
    2. **Authorization.** You authorize us to debit your Checking or Savings Account each month to obtain payment of applicable fees. You agree that such fees will be fully earned and non-refundable at the time payment is obtained. If sufficient funds are not available in your account to pay all such fees, you agree to immediately deposit funds to cover such fees or otherwise reimburse us upon request.
    3. **Other Charges.** The monthly fees for Bill Pay service are in addition to the service fees for insufficient funds (NSF) and to other Bank fees and charges that apply to your Accounts, please see our Schedule of Other Services that is available at any branch. Third parties, such as Internet service providers and Payees, may impose other charges for which you are solely responsible.
  3. **Authorized Use of Service.** You are responsible for keeping your password and Account data confidential. We and our service providers are entitled to act on instructions received using your Codes, and you agree that the use of your password will have the same effect as your signature authorizing the transaction or request for information. If you authorize other persons, including, without limitation, **Designated Users for Business accounts**, to use any of your passwords for any purpose or in any manner, your authorization shall be considered unlimited in scope, amount and manner and (to the extent permitted by applicable law) shall

extend to such persons' designees, until you have notified Us in writing that you have revoked the authorization and changed your password, and you are responsible for any transactions made by such persons or their designees until you notify Us that transfers by that person are no longer authorized and We have a reasonable opportunity to act upon the change of your password.

4. **Termination.** Your enrollment in Online Banking or Online Banking with Bill Pay will remain in effect until terminated by you or us.
  1. **By You.** You may terminate your use of Bill Pay by written notice to **Bank of the Sierra**. Your notice must be received at least ten (10) days prior to the date on which you wish to have Bill Pay terminated. If you have scheduled bill payments with a Processing Date within this ten-day period, you also must separately cancel those bill payments. If you have not otherwise canceled a bill payment, you will be responsible for each bill payment with a Processing Date during the ten (10) days following receipt of your written notice of termination. Your notice of termination will be confirmed by mail.

You may terminate your use of Online Banking service at any time by calling **Bank of the Sierra at (888) 454-2265** or writing to **Bank of the Sierra, Attn: Payment Solutions Department, P.O. Box 1930 Porterville, CA 93258** or by e-mail at [payment\\_solutions\\_department@bankofthesierra.com](mailto:payment_solutions_department@bankofthesierra.com)

1. **By Bank.** We may terminate your use of Online Banking or Online Banking with Bill Pay, in whole or in part, at any time without prior notice. We will try to notify you in advance, but we are not obligated to do so. If your Bill Pay Service is not used for three consecutive months we reserve the right to cancel your Bill Pay Service.
  2. **Effect.** Termination will not affect your liability or obligations under this Agreement for transactions that have been processed on your behalf. Termination will apply only to Online Banking or Online Banking with Bill Pay and does not terminate your other relationships with us.
1. **DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY.** We make no warranties of any kind, express or implied, including any implied warranties of fitness for a particular purpose or merchantability or non-infringement of third party rights, in connection with the Services. We cannot and therefore do not warrant that the Services will operate without errors, or that any or all of the Services will be operational and available at all times. You agree that we are not responsible for any error, damage or other loss you may suffer due to the malfunction or misapplication of any software or system you use, including, without limitation, any web browser, any Internet service provider, or any equipment you may use, including, without limitation,

telecommunications facilities, computer hardware and modem. You agree, to the extent allowed by law and except as provided elsewhere in this Agreement, that our officers, directors, employees, agents or contractors shall not be liable for any indirect, incidental, special or consequential damages as a result of use of any services or products provided under this Agreement or by reason of your use of or accessing the Services, including loss of profits, revenue, data or use by you or any third party, whether in any action at law based on contract, tort or warranty. In no event shall the liability of the Bank and its affiliates exceed the amounts paid by you for the Services.

2. **Disclosure of Account Information.** We will disclose information about your Accounts or the transfers you make:

- If we have entered into an agreement with another party to provide any Service. In this case, We will provide that party with information about your Account, your transfers and your communications with Us in order to carry out your instructions;
- if it is necessary for completing transfers or otherwise carrying out your instructions;
- in order to verify the existence and conditions of an Account for a third party, such as a credit bureau, or any holder of a check issued by you or on your behalf;
- in order to comply with laws, government agency rules or orders, court orders, subpoenas or other legal process or in order to give information to any government agency or official having legal authority to request such information;
- if you otherwise give Us your permission; or
- As otherwise explained in our Privacy Policy and Notice provided to each **Consumer** customer pursuant to the Gramm-Leach-Bliley Act of 1999.
  
- **Periodic Statements.** All of your fund transfers made through the Services will appear on the periodic statement for each Account, as applicable. The Payee name, payment amount, and transaction date will be reflected for each bill payment made through Bill Pay. You agree that we will not furnish you any other notice of fund transfers you initiate.
- **Amendments.** You agree to be bound by any amendments or modifications to this Agreement after notice has been sent to you at your last known address contained in our records, or upon our posting of such notice in the lobby of our branch offices or on our website. Where prior notice of a change in terms is required by applicable law, we will send the notice to you the required number of days in advance of the effective date of the change. If you do not agree to the change or amendment, you must notify us prior to the effective date of the change or amendment and cancel your access to the Services. Failure to cancel the Services by the effective date or use of the Services after the effective date shall conclusively constitute your acceptance of the change.
- **Electronic Communications.** You agree that we may send all notices, disclosures, amendments and other communications regarding this Agreement or the Services to you by electronic mail. You further agree

that procedures and requirements of the Services may be incorporated as part of our website and communicated to you through the Services. To the extent permitted by Applicable Law (as defined below), you agree that each such communication will be binding and enforceable to the same extent as if it were delivered to you in writing by mail or in person.

- **Entire Agreement; No Waiver.** This Agreement is the complete and exclusive agreement between you and us related to the Services and supplements any other agreement or disclosure related to your Accounts, and there are no other understandings or agreements relative hereto which are not fully expressed herein. In the event of a conflict between this Agreement and any other agreement or disclosure related to your Accounts, or any statement by our employees or agents, or any service provider, this Agreement shall control with respect to the Services. No delay or omission by us in exercising any rights or remedies hereunder shall impair such right or remedy or be construed as a waiver of any such right or remedy. No waiver shall be valid unless in writing signed by us.
- **Assignment.** You may not assign this Agreement to any other party. We may assign this Agreement or delegate any or all of our rights and responsibilities under this Agreement to any third parties.
- **Governing Law; Compliance.** This Agreement shall be governed by and construed in accordance with the laws of the United States, and to the extent not inconsistent therewith, the laws of the state of California, without regard to that state's rules regarding conflict of laws (collectively, "Applicable Law"). You agree that you will use the Services only in accordance with applicable law.
- **Ownership of Website.** The content, including, without limitation, all information, text, graphics, and design, of our website is the property of and copyrighted by Bank of the Sierra, and any unauthorized use, reproduction, linking or distribution of any part of the website is strictly prohibited.
- **ERROR RESOLUTION NOTICE, INSTITUTION AND CUSTOMER**

1. **In Case of Errors or Questions about Your Electronic Fund Transfers.** Contact us by telephone at 1-888-454-2265, or write to us at Bank of the Sierra, Attn: Payment Solutions Department, P.O. Box 1930 Porterville, CA 93258, send a secure message through Online Banking by clicking Contact Us within the Online Banking session, or e-mail us at: [payment\\_solutions\\_department@bankofthesierra.com](mailto:payment_solutions_department@bankofthesierra.com) as soon as you think your statement is wrong or if you need more information about a fund transfer listed on your statement. NOTE: E-mail to any other address shall not be considered notice to us. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and Account number. (Remember, because e-mail may be intercepted by third parties we do not recommend forwarding any confidential information, such as your account number, via e-mail and encourage the use of the secure message through Online Banking.)

2. Describe the error or the fund transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error. If you contact us orally, we may require that you send us your complaint or question in writing within ten (10) Business Days.
4. **For Consumer Accounts Only** :
  1. We will determine whether an error occurred within ten (10) Business Days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) Business Days 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. The above time frames may be extended to 20 days to determine whether an error occurred or to credit your account and 90 days to investigate your complaint if the error is alleged within the first 30 days after the first deposit to the account was made.
  2. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) Business Days, We may not credit your account.
  3. We will tell you the results within three (3) Business Days after completing our investigation. If we decide that there was no error, we will send you a written explanation within three (3) Business Days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

#### 1. **Unauthorized Transactions.**

1. **All Accounts:** You should notify us immediately if you believe any of your passwords have been lost or stolen or that someone has transferred or may transfer money from your account without your permission. You can contact us by telephone at 1-888-454-2265, or write to us at Bank of the Sierra, Attn: Payment Solutions Department, P.O. Box 1930 Porterville, CA93258 Or e-mail us at: [payment\\_solutions\\_department@bankofthesierra.com](mailto:payment_solutions_department@bankofthesierra.com)  
NOTE: E-mail to any other address shall not be considered notice to us.
2. **Your Liability for Unauthorized Transactions.** Tell us AT ONCE if you believe any of your Passwords have been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum overdraft line of credit.
3. **For Consumer Accounts Only:**

1. If you tell us within two (2) Business Days, you can lose no more than \$50 if someone used any of your Passwords without your permission. If you do NOT tell us within two business days after you learn of the loss or theft of any of your Passwords, 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.
  2. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.
  3. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend these time periods.
2. **Bank's Responsibility for Processing Transactions.** If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. There are some exceptions to the Bank's liability for processing transactions on the Accounts.

1. We will not be liable, for instance, if:
  1. through no fault of ours, you do not have enough money in your Account to make the transfer;
  2. the transfer would exceed any permitted overdraft line you have with us;
  3. circumstances beyond our control (such as fire, flood, water damage, power failure, strike, labor dispute, computer breakdown, interruption of telephone or Internet service or telecommunication facilities, or natural disaster) prevent the transfer, despite reasonable precautions that We have taken;
  4. the funds in your Account were subject to legal process, an uncollected funds hold or are otherwise not available for withdrawal;
  5. your account is closed or has been frozen or blocked;
  6. you have not properly followed the instructions for using the Services or any software;
  7. your operating system or software was not properly installed or functioning properly;

8. you are unable to access your Account or the Services due to Internet facility or service provider delays or other problems; or
  9. any electronic terminal, telecommunications device, or any part of the system or any software was not working properly and you knew about the breakdown when you started the transfer.
2. There may be other exceptions stated in the Account Agreement.

## **MOBILE BANKING AGREEMENT AND DISCLOSURE ONLINE BANKING ADDENDUM**

### **I. Introduction**

Bank of the Sierra endeavors to provide you with the highest quality Mobile Banking (the "Service") available. By enrolling in the Service, you agree to all the terms and conditions contained in this Agreement and Disclosure (the "Agreement").

We may offer additional Mobile Banking services and features in the future. Any such added Mobile Banking services and features will be governed by this Agreement and by any terms and conditions provided to you at the time the new Mobile Banking service or feature is added and/or at the time of enrollment for the feature or service, if applicable.

From time to time, we may amend these terms and modify or cancel the Mobile Banking services we offer without notice, except as may be required by Law.

### **II. Definitions**

As used in this Agreement and Mobile Banking services, the following words have the meanings given below:

"Account(s)" means your eligible Bank of the Sierra Checking, Savings, Loans, CDs, Safe Deposit Box information and other Bank of the Sierra products that can be accessed through Mobile Banking.

"Device" means a supportable mobile device including a cellular phone or other mobile device that is web-enabled and allows secure SSL traffic which is also capable of receiving text messages. ***Your wireless carrier may assess you fees for data or text messaging services. Please consult your wireless plan or provider for details.***

"Mobile Banking" means the banking services accessible from the Device you have registered with us for Mobile Banking.

"You" and "Your(s)," mean each person with authorized access to your Account(s) who applies and uses the Mobile Banking service.

"We," "Us," and "Bank" means Bank of the Sierra.

### **III. Mobile Banking Service**

A. Description of Service. Mobile Banking is offered as a convenience and supplemental service to our Online Banking services. It is not intended to replace access to Online Banking from your personal computer or other methods you use for managing your accounts and services with us. Mobile Banking allows you to access your Bank of the Sierra account information, make payments to payees, transfer funds and conduct other banking transactions. To utilize the Mobile Banking Service, you must be enrolled to use Online Banking and then activate your Device within the Online Banking system. We reserve the right to limit the types and number of accounts eligible and the right to refuse to make any transaction you request through Mobile Banking. We may also reserve the right to modify the scope of the Service at any time.

Mobile Banking may not be accessible or may have limited utility over some network carriers. In addition, the Service may not be supportable for all Devices. Bank of the Sierra cannot guarantee and is not responsible for the availability of data services provided by your mobile carrier, such as data outages or "out of range" issues.

B. Use of Service. In order to properly use Mobile Banking, you should review and follow the instructions provided on our website. You agree to accept responsibility for learning how to use Mobile Banking in accordance with the online instructions and agree that you will contact us directly if you have any problems with Mobile Banking. We may modify the Service from time to time at our sole discretion. In the event of any modifications, you are responsible for making sure you understand how to use Mobile Banking as modified. You also accept responsibility for making sure that you know how to properly use your Device and we will not be liable to you for any losses caused by your failure to properly use the Service or your Device.

C. Other Agreements. You agree that, when you use Mobile Banking, you remain subject to the terms and conditions of your existing agreements with any unaffiliated service providers, including, but not limited to, your mobile service provider and that this Agreement does not amend or supersede any of those agreements. You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of Mobile Banking (such as data usage or text messaging charges imposed on you by your mobile service provider for your use of or interaction with Mobile Banking), and you agree to be solely responsible for all such fees, limitations and restrictions. You agree that only your mobile service provider is responsible for its products and services. Accordingly, you agree to resolve any problems with your provider directly without involving us.

Any deposit account, loan or other banking product accessed through this Service is also subject to the Account Agreements and Disclosures provided at the time of Account opening. You should review the Account disclosures carefully, as they may include transaction limitations and fees which might apply to your use of Mobile Banking.

### **IV. Permitted Mobile Banking Transfers**

You may use the Service to transfer funds between your eligible Bank of the Sierra Accounts ("Internal Transfer"). You may not transfer to or from an Account at another financial institution using Mobile Banking.

If you submit your transfer request prior to the deadline established by us for Mobile Banking transfer service, you will initiate an immediate Internal Transfer via Mobile Banking. Transfer transaction requests received after 7:00 p.m. PST on business days and all transactions which are requested on Saturdays, Sundays, or holidays on which the Bank chooses to remain closed, will be processed on the Bank's next business day.

You must have sufficient funds available in the selected account at the time the transfer request is received, including any available overdraft protection. We may process transfers that exceed your available balance at our sole discretion. If we process the transfer and unless your overdraft protection is provided via an Overdraft Line of Credit, you agree to cover any overdraft amount plus any applicable fees.

Federal regulations require financial institutions to limit the way withdrawals may be made from a savings or money market account. Each transfer from a savings or money market account using Mobile Banking is counted as one of the six limited transactions permitted each monthly statement cycle period, as described in the Deposit Account Agreement and Disclosures. You may be subject to fees or account conversion if you exceed the transactions limits of your Account using Mobile Banking or any other methods outlined in your Deposit Account Agreement and Disclosures.

We may also limit the type, frequency and amount of transfers for security purposes and may change or impose the limits without notice, at our option.

You agree to confirm the completion of each transfer in your account balance and transaction history before withdrawing transferred funds.

## V. Mobile Wallet

Description of Service: A mobile wallet is a way to carry your debit card information in a digital form on your mobile device. Instead of using your physical plastic card to make purchases, you can pay with your smartphone, tablet or smartwatch .

With Bank of the Sierra mobile wallets your card number is not visible to the merchant when you make a purchase, providing additional protection to your account. You will receive the same protection when using your mobile wallet that you will receive if using your debit card, which includes zero liability and MasterCard ID Theft Protection.

To disable your mobile wallet if your phone, tablet or smartwatch is lost simply call Bank of the Sierra at 888-454-BANK.

## VI. Other Agreements

You agree that when you use the Mobile Wallet you remain subject to the terms and conditions, including the Limitations on Transactions, of your existing Electronic Fund Transfer Agreement and Disclosure. You understand your mobile carrier may charge you message and data rates or other fees. You understand your card information is sent across wireless and computer networks. Information about your mobile device may

be transmitted to us. You further understand that when you use your card for transactions, third parties, such as merchants, mobile carriers and mobile wallet operators may use and receive your digital card number and receive information about your mobile device. You agree that you will secure your mobile device the same as you would your cash, checks, credit cards and other valuable information. We encourage you to password protect or lock your Mobile Device to prevent an unauthorized person from using it. If you have enrolled in Overdraft Protection, those terms will apply to card transactions made through the Mobile Wallet. We may, at any time, partially or fully restrict your ability to make transactions through a Mobile Device. We may at any time limit the number of transactions made with your card or Mobile Wallet (i.e. if we notice out-of-pattern use, suspected fraudulent or unlawful activity or internet gambling). If we do not permit a transaction, we will not be responsible for any charges or fees associated with the declined transaction. If you wish to disable your card number from your Mobile Device, please contact Bank of the Sierra.

## **VII. Your Responsibilities**

You represent and agree to the following by enrolling for Mobile Banking or by using the Service:

A. Account Ownership/Accurate Information. You represent that you are the legal owner of the Accounts and other financial information which may be accessed via Mobile Banking. You represent and agree that all information you provide to us in connection with Mobile Banking is accurate, current and complete, and that you have the right to provide such information to us for the purpose of using Mobile Banking. You agree not to misrepresent your identity or your account information. You agree to keep your account information up to date and accurate. You represent that you are an authorized user of the Device you will use to access Mobile Banking.

B. User Security. You agree to take every precaution to ensure the safety, security and integrity of your account and transactions when using Mobile Banking. You agree not to leave your Device unattended while logged into Mobile Banking and to log off immediately at the completion of each access by you. You agree not to provide your username, password or other access information to any unauthorized person. If you permit other persons to use your Device, login information, or other means to access Mobile Banking, you are responsible for any transactions they authorize and we will not be liable for any damages resulting to you. You agree not to use any personally identifiable information when creating shortcuts to your Account. We make no representation that any content or use of Mobile Banking is available for use in locations outside of the United States. Accessing Mobile Banking from locations outside of the United States is at your own risk.

C. User Conduct. You agree not to use Mobile Banking or the content or information delivered through Mobile Banking in any way that would: (a) infringe any third-party copyright, patent, trademark, trade secret or other proprietary rights or rights of privacy, including any rights in the Software; (b) be fraudulent or involve the sale of counterfeit or stolen items, including, but not limited to, use of Mobile Banking to impersonate another person or entity; (c) violate any law, statute, ordinance or regulation (including, but not limited to, those governing export control, consumer

protection, unfair competition, anti-discrimination or false advertising); (d) be false, misleading or inaccurate; (e) create liability for us or our affiliates or service providers, or cause us to lose (in whole or in part) the services of any of our service providers; (f) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (g) potentially be perceived as illegal, offensive or objectionable; (h) interfere with or disrupt computer networks connected to Mobile Banking; (i) interfere with or disrupt the use of Mobile Banking by any other user; or (j) use Mobile Banking in such a manner as to gain unauthorized entry or access to the computer systems of others.

D. No Commercial Use or Re-Sale. You agree that the Service is only for the personal or business use of individuals authorized to access your account information. You agree not to make any commercial use of Mobile Banking or resell, lease, rent or distribute access to Mobile Banking.

E. Indemnification. Unless caused by our intentional misconduct or gross negligence, you agree to indemnify, defend and hold harmless Bank of the Sierra its affiliates, officers, directors, employees, consultants, agents, service providers, and licensors from any and all third party claims, liability, damages, expenses and costs (including, but not limited to, reasonable attorneys' fees) caused by or arising from (a) a third party claim, dispute, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or otherwise in connection with the Service; (b) your violation of any law or rights of a third party; or (c) your use, or use by a third party, of Mobile Banking.

### **Mobile Check Deposit Enrollment Agreement and Disclosure Statement**

For use of Mobile Check Deposit, you acknowledge that you have read, understood and agree to the terms of this Agreement. Please read this agreement carefully and keep a copy for your records.

#### **Mobile Check Deposit**

##### **1. General**

This Mobile Check Deposit Enrollment Agreement and Disclosure (this "Agreement") governs the use of Mobile Check Deposit which is offered by and through Bank of the Sierra ("Bank") to each customer whose request for the services is approved. By your initial and continued use of Mobile Check Deposit, you acknowledge that you have read, understood and agree to the terms of this Agreement and any subsequent amendments. In the event of a conflict between this Agreement and the Account Documentation, this Agreement will govern with respect to Mobile Check Deposit.

##### **2. Remote Check Deposit Service**

a. The Service allows you to make certain deposits to an eligible account electronically by using a mobile capture device, such as a Smartphone (iPhone or Android) to create an electronic image of a paper check or other paper source document only drawn on a United States Bank and payable in U.S. Dollars ("Item") by taking a photograph of the front and back of the Item and transmitting it and related data to us. As part of the

Service you must use Sierra Online Banking and our Sierra Mobile App. available for download in either iTunes Store or Google Play. You are solely responsible for information or data that is transmitted, supplied or key-entered by you, or agents. Before you photograph any Item, you shall endorse all items with your name and the legend "For Mobile Deposit Only"

b. You agree that after the item has been photographed and submitted via the Mobile App for deposit, you shall not otherwise transfer or negotiate the original item, substitute check or any other image thereof. You further agree that you shall be solely responsible for the original items, including storage, retrieval and destruction.

c. You agree that the electronic image of the item or any substitute check, as defined by federal law, will become the legal representation of the item for all purposes (except for funds availability, see section 2(e) below), including return items processing.

d. If we receive a scanned item on or before 7:00 p.m. Pacific Standard Time on a business day we are open, we will consider that day to be the day of deposit. If we receive a scanned item after 7:00 p.m. Pacific Standard Time or on a weekend or a state or federal holiday, we will consider that the deposit was made on the next business day. A deposit is considered "received" by Bank of the Sierra if the image, in our discretion, is of acceptable quality; the item information is complete, and the deposit is validated through our standard procedures within 1 to 3 business days after the initial transmission of the deposit.

e. We will make funds available for checks and items received, accepted and successfully processed through Mobile Remote Check Deposit according to our standard funds availability policy for your Deposit Account once the deposit has been deemed "received" (within 1 to 3 business days).

f. The maximum amount you may deposit on any day is \$2,500.00 per eligible account and the maximum aggregate amount that you may deposit to an eligible account during any thirty (30) day period is \$5,000.00.

g. We may return or refuse to accept all or any part of a deposit to your account using the Mobile Check Deposit at any time and will not be liable for doing so even if such action causes outstanding checks or other debits to your account to be dishonored and returned.

h. If we place a hold on your deposit we will notify you by mail.

i. We will send you an email acknowledging the transmission of your deposit.

### **3. Image Capture**

If the check images, MICR information, or amounts transmitted to us with respect to any item do not comply with our requirements for content and/or format, we may, in our sole discretion:

a. further transmit the item and data in the form received from you;

- b. repair or attempt to repair the item or data and then further transmit it;
- c. process the item as photocopies in lieu of originals; or
- d. return the data and item to you unprocessed and charge back your account.

#### **4. Eligible Items**

You agree to photograph and transmit only checks as that term is defined in Federal Reserve Regulation CC ("Reg CC"). You agree that you will not use this service to photograph and deposit any checks or other items shown below:

- a. Checks or items payable to any person or entity other than you;
- b. Checks containing an alteration which you know or should have known to be fraudulent, or authorized by the owner of the account on which the check is drawn;
- c. Any checks that are not in original form with a signature, such as substitute checks or remotely created checks;
- d. Checks that are stale dated, dated more than six (6) months prior to date of deposit;
- e. Checks that are post dated, and display a future date;
- f. Checks written off an account at a financial institution located outside the United States;
- g. Checks not payable in United States Currency;
- h. Federal Government Checks, Money Orders, Traveler's Checks, Savings Bonds, Third Party Checks.

#### **5. Disclaimer of Warranties and Limitation of Liability**

We make no representations or warranties, whether express, implied or statutory regarding or relating to any of the software, capture devices or other hardware and/or access to or use of them or the related materials and Mobile Check Deposit. We specifically disclaim any and all implied warranties of merchantability and fitness for a particular purpose and non-infringement. We and our subcontractors also do not guarantee that your access to the Mobile Check Deposit will be uninterrupted, error free or secure.

YOU AGREE THAT WE WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES, INCLUDING LOST PROFITS, REGARDLESS OF THE FORM OF THE ACTION OR THEORY OF RECOVERY, RELATED IN ANY WAY TO YOUR USE OF THE REMOTE CHECK DEPOSIT SERVICE EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES.

You represent and warrant to us that:

- a. any image we receive accurately and legibly represents all of the information on the front and back of the original item as originally drawn;
- b. the information you transmit to us corresponding to an item contains a record of all applicable MICR-line information required for a substitute check and the accurate amount of the Item;
- c. the item conforms to the technical standards for an Electronic Item set forth in Federal Reserve Board Regulation J, or Federal Reserve Bank operating circulars and for a substitute check set forth in Federal Reserve Board Regulation CC;
- d. no person will receive a transfer, presentment, or return of, or otherwise be charged for, the item (either the original item, or a paper or electronic representation of the original item) such that the person will be asked to make payment based on an item that has already paid;
- e. You will not redeposit through this Mobile Check Deposit any item previously deposited and returned to you unless we advise you otherwise;
- f. You will employ commercially reasonable security measures and firewalls sufficient to protect transmissions and storage to ensure no unauthorized access or duplicate presentment;
- g. You will only transmit items that originated as paper Items.
- h. You are solely responsible for any duplicate presentments of a deposited item regardless of the origin of the duplication and any subsequent claim.
- i. You are not depositing items on behalf of third parties,
- j. You will notify us in writing regarding any unauthorized use or disclosure relating to Mobile Check Deposit immediately after it becomes known to you.

## **6. Indemnification**

You agree to defend, indemnify and hold us harmless for any loss or expense (including attorney's fees and expenses of litigation) resulting from:

- a. your breach of any of the warranties made by you pursuant to this Agreement or the Account Documentation;
- b. any claim pertaining to any warranty or indemnity that we make with respect to an item under the Check Clearing for the 21st Century Act, Federal Reserve Board Regulations CC and J and all other laws, regulations and industry and clearing house rules applicable to items;
- c. You will defend, indemnify and hold us, our officers, affiliates, employees and agents harmless from any actions, claims, losses, demands, liabilities, litigation or damages

(including reasonable attorneys' fees) arising from or in connection with your unauthorized use of Mobile Check Deposit.

#### **7. Termination of Service.**

- a. We reserve the right to terminate the Service at any time without notice to you.
- b. The provisions of sections 5 and 6 shall survive termination of this Agreement.

#### **8. Miscellaneous**

Mobile Banking Privacy Policy Page: <https://www.bankofthesierra.com/privacy/>

Mobile Banking Privacy Policy PDF:

<https://www.bankofthesierra.com/assets/1526681209-MobileBankingPrivacyPolicy.pdf>

If Bank of the Sierra contacts you in regards to any errors involving deposited item through Mobile Check Deposit, you agree to provide any of the requested information in writing within the requested time frame.

Bank of the Sierra, Member FDIC, Equal Housing Lender  
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