

COMMERCIAL BANK OF GRAYSON

CONSUMER ONLINE BANKING AND BILL PAY PLUS AGREEMENT AND DISCLOSURE

This Consumer Online Banking and Bill Pay Plus Agreement and Disclosure ("Agreement") describes your rights and obligations as a consumer user of Commercial Bank's Online Banking and Bill Pay Plus services. It also describes the rights and obligations of the Commercial Bank of Grayson ("Bank"). Please read this Agreement carefully. By requesting and using one of these Services and electronically verifying the receipt of this agreement and disclosure, you agree to comply with the terms and conditions of this Agreement. Any Business account accessed through Online Banking and Bill Pay Plus will not acquire consumer rights through this Agreement and Disclosure.

The following definitions apply in this Online Banking and Bill Pay Plus Agreement and Disclosure:

- The words "**we**", "**us**," and "**our**" refer to the Commercial Bank of Grayson
- The words "**you**" or "**your**" refer to each individual who is identified in our records as the account owner or authorized signer on the account or someone who is specifically designated by the Account holder to have access to the account.
- The term "**Account**" refers to all accounts including checking, savings, money market or other deposit or loan account you have designated to receive online service
- The term "**Account holder**" shall mean the owner(s) of the account on our records.
- The term "**Online Service**" refers to access and transactions on your online banking and bill pay accounts. You may access more than one Account, view Account balances and transaction information, transfer funds among designated Accounts and pay bills from designated checking Accounts.
- The term "**Payee(s)**" shall mean the person, persons or entities to whom your payment will be made. You must provide sufficient information about each Payee to properly direct a payment to that Payee and permit the Payee to identify the correct amount.
- The term "**Communications**" includes all notices, agreements, acknowledgements, receipts and other information related to your Accounts, including but not limited to disclosures we are required to send by law to you in writing and Bank marketing advertisements and communications.
- **Bank Offices** refers to any of the following locations:
 - Grayson Main Office--208 East Main Street, Grayson, KY
 - Grayson Branch Office--109 N. Carol Malone Blvd., Grayson, KY
 - Olive Hill Office—155 E. Tom T. Hall Blvd, Olive Hill, KY

Bank Dedicated Telephone Number for Online Banking, Mobile or Bill Pay Plus Information is 606-474-2105

Contract Terms and Conditions, Changes, Amendments and Termination

This agreement governs the use of the Commercial Bank of Grayson's Consumer Online Banking and Bill Pay Plus Services and each person who is referenced on Commercial Bank's records as the Account Holder or is an authorized signer on the account or any individual specifically designated by the Account Holder to have access to the account. Each Account Holder is jointly and individually liable for all transactions initiated through the online and bill pay service, including overdrafts, even if the Account Holder did not participate in the online or bill pay event that resulted in the transaction.

This Agreement will become effective on the date you electronically access this agreement and begin to use the Online Banking service or the Bill Pay Plus service. Your electronic acceptance and use of the Online Banking Service and Bill Pay Plus is your acknowledgment that you have received this agreement and intend to be bound by it. In addition to this Agreement, you and the Bank agree to be bound by and comply with the agreements and disclosures previously provided for each of your Accounts. You should review your other Account disclosures including the charges that may be imposed for electronic funds transfers or the right to make transfers listed in the fee schedules accompanying those disclosures. This agreement shall remain in full force and effect until termination by either party. We will promptly notify you, if we terminate this Agreement or your use of the Online Services for any other reason. We will require written notice in order for you to terminate the contract. This notice may be mailed to the **Commercial Bank of Grayson, Attention: Bookkeeping Department, P. O. Box 7, Grayson, KY 41143** or may be presented in person, to the Customer Service Department at any of our offices.

The terms of this Agreement, applicable fees, and service charges may be changed or amended by Commercial Bank from time to time. Further, Commercial Bank may revise or update the Online Banking and Bill Pay Plus program from time to time. In the

event of a change to this agreement or a change to the program or services, you will receive a notice sent to your email address, or a notice will be mailed to you via U.S. mail or the notice may be posted on our website. If the Bank sends a notice of the change via email or posts it on our website, you will be deemed to have received it three days after it is sent or posted. If the Bank sends a notice via U.S. mail, you will be deemed to have received it five days after it is sent. The revised terms and conditions shall be effective at the earliest date allowed by applicable law. We reserve the right to terminate this Agreement and your use of the Online Banking and Bill Pay Plus services in whole or in part at any time without prior notice.

CONSENT TO RECEIVE ELECTRONIC COMMUNICATIONS:

Unless otherwise required by applicable law, any notice or written communication given pursuant to this Agreement may be sent to you electronically. You authorize us to provide to you, electronically, any and all communications regarding each of the Accounts you designate to access via Online Banking. All communications provided in either electronic or paper format from us to you will be considered "in writing". For your records, you should print or download a copy of each communication that is provided to you electronically. You must have chosen to receive Online Statements in order to receive and view your statements through Online Banking. If you have not chosen Online Statements, your paper statements will be mailed to you.

You consent to receive via electronic delivery all required disclosures and communications regarding all deposit accounts, loan accounts and lines of credit you have specified to access through Online Banking. In addition, you agree to receive Bank marketing advertisements and communications via electronic delivery. Disclosures and other communications that may be delivered to you electronically may include, but are not limited to:

- Periodic statements for Online Statement Account Users
- Legal and Regulatory Notices for your Account, including but not limited to:
 1. Privacy Policy and Annual Privacy Notice
 2. Annual Electronic Funds Transfer Notice
- Notices or disclosures for any change-in-terms information for your account
- Fees or Charges Applicable to the Account
- Other notices we may be required to provide
- Bank Marketing Advertisements and Communications

For each of the Online Banking accounts you access, we have no obligation to provide you or any other owner or authorized signer on the accounts, with a paper copy of any communication, unless and until, consent for electronic communications is withdrawn as described in this document. A paper copy of any statement or disclosure may be obtained by making a request in person at the Customer Service Department in any of our offices or by sending us a written request for a paper copy to the Commercial Bank of Grayson, Attention: Bookkeeping Department, P. O. Box 7, Grayson, KY 41143 or by printing a copy of your online statement or disclosure. A fee may apply for each additional printed or electronic copies of previous statements requested. No fee shall apply for providing copies of other disclosures as required by law. We reserve the right, but assume no obligation, to provide a paper copy (instead of an electronic) of any communication that you have authorized us to provide electronically.

HOW TO WITHDRAW YOUR CONSENT TO ELECTRONIC COMMUNICATIONS:

You may withdraw your consent to receive your statements, disclosures and communications from us electronically by providing a notice to us in writing. Any withdrawal of your consent to receive electronic statements, disclosures and communications will be effective after we have a reasonable time to process your withdrawal, up to 10 days from receipt of the withdrawal of consent.

This notice may be made in person at the Customer Service Department in any of our offices or by mailing a notice to:

Commercial Bank of Grayson
Bookkeeping Department
P. O. Box 7
Grayson, KY 41143

The legal effectiveness, validity or enforceability of disclosures previously delivered electronically will not be affected by your withdrawal of consent for future electronic delivery of communications.

Termination: This Agreement may be terminated in accordance with the following provisions:

1. **Termination for Cause:** We may immediately terminate your Online Banking or Bill Pay Plus privileges without notice to you under the following circumstances:
 - You do not comply with the agreement governing your deposit or loan accounts or
 - Your accounts are not maintained in good standing or
 - You have activated your Bill Pay Plus account but it has not been accessed for more than 90 days or
 - You have not accessed your Online Banking or Mobile Banking Account for more than 90 days.

2. **Voluntary Termination.** To terminate this Agreement, you must notify the Bank and provide your name, address, the Online Service(s) you are discontinuing, and the requested termination date of the Online Service(s). For your protection, we will not accept any request provided by general use or public email or by telephone. You may notify the Bank by one of the following methods:
 - By mailing a notice to **Commercial Bank of Grayson, Attention: Bookkeeping, P.O. Box 7, Grayson, KY, 41143;** or
 - Delivering a written notice in person to our Customer Service Department at any of the Bank's Offices.

Access to Accounts through Online Services:

1. **Linked Accounts:** Users who subscribe to Online Banking will have the ability to view and/or access all internet enabled accounts available under their tax identification number. The enabled accounts will appear together without regard to ownership. The accounts which are available for a given tax identification number may include:
 - the accounts of any business for which the subscriber is an authorized user; or
 - any consumer accounts for which the person is a co-owner or authorized signer.

2. **Business Accounts:** Any employee who has been authorized by the Account Holder as an online banking user is authorized under such terms, conditions, and agreements as we may require to:
 - enter into this Agreement, as amended from time to time;
 - access each account of yours in any manner and for any purpose available through the Online Service, whether now available or available at some time in the future; and
 - use any Online banking service in any manner and for any purpose available through the Online Service, whether now available or available at some time in the future.

USE OF OUR ONLINE SERVICES:

You agree to provide us with your true, accurate and complete email address, home address, and telephone number. You further agree to maintain and update promptly any changes in this information. You can update this information by logging into your online account, or in person at the Customer Service Department of any of the Commercial Bank Offices, or by sending a written notice to The Commercial Bank of Grayson, Attention: Bookkeeping Department, P. O. Box 7, Grayson, KY 41143. For your protection, we will not accept any change to your email address or other identifying information provided by general use or public email or by telephone. If we receive notification that electronic delivery is not possible due to an incorrect or closed email address, we may elect, to consider this a withdrawal of consent for electronic communications.

The Bank will provide instructions on how to use the Online Banking Service you choose. You will gain access to your Online Services through the use of your Internet service using your Password and your User ID. You may access your Online Services 24 hours a day, seven (7) days a week. However, availability of the Online Services may be suspended for brief periods of time for the purposes of maintenance, updating and revising the software.

For purposes of online transactions, the Bank's business days are Monday through Friday, excluding federal holidays and weekends. All Online Banking transaction requests received after 6:00 p.m. Eastern Time on business days and all transactions

which are requested on Saturdays, Sundays, or federal holidays on which the Bank is closed, will be processed on the Bank's next business day. The Bank's business day begins at 8:30 a.m. Eastern Time. For Bill Pay Plus access and transaction posting information, see: "**Appendix A: Bill Pay Plus Disclosures, Terms and Conditions**".

Banking Transactions with Online Banking and Bill Pay Plus

- A. Account Access:** You may access all of your accounts online that you designate. One of these accounts must be a primary checking account. Once you have selected your primary account you may select additional accounts including checking, savings, certificates of deposit and loan accounts. Any consumer terms and conditions in this agreement will not apply to any Business account accessed through Online Banking or Bill Pay Plus.
- B. Transfer of Funds:** In addition to viewing account information, you may use Online Banking to conduct the transfer of funds. You may perform transfers between accounts or schedule future or recurring transfers between accounts such as transfers to make loan payments. You may transfer funds among your checking accounts, savings accounts and money market accounts. You may also transfer funds between your accounts at Commercial Bank and an external institution.

If there are not sufficient funds in the account, we cannot complete the transfer. However, future recurring transfers will not be impacted. You are advised to check your recurring transfers at the beginning of each month and adjust the process date where necessary.

Limitations: Because regulations require the Bank to limit preauthorized transfers (including Mobile Banking transfers) on Savings and Money Market accounts, you can make no more than six (6) transfers per month by preauthorized or automatic transfer or by telephone or Online Banking for these types of accounts.

Additional Services: New services may be introduced for Online Banking from time to time. The Bank will notify you of the existence of these new services and make disclosures available to you. By using these services when they become available, you agree to be bound by the rules that apply to these services.

FEES: The Bank offers the benefits and convenience of the Online Banking Service to you free. **See Appendix A: Bill Pay Plus Disclosures, Terms and Conditions for a listing of fees that may be incurred through Bill Pay Plus.**

Unless you have chosen to receive Online Email Statements, you will continue to receive your regular account statement by mail either monthly or quarterly, depending on the type of account.

Internet Browser Requirements and Your Security Responsibilities:

For your protection, the servers require the browser to connect at 128-bit encryption. Your browser establishes a secure session with the server. The secure session is established using a protocol called Secure Sockets Layer (SSL) Encryption. The recommended browser is Microsoft Internet Explorer. Additional browsers are Firefox 1.0 or Safari 1.2. In addition, you should familiarize yourself with your browser's secure features and make sure they are turned on during your online sessions.

You are responsible for the maintenance, installations and operation of your computer and for the software used in accessing your Online Services. Commercial Bank will not be responsible for any errors, deletions, or failures that occur as a result of any malfunction of your computer or software or for any computer virus that affects your computer or the software during your Online Banking or Bill Pay Plus sessions.

You are responsible for keeping your Online Banking and Bill Pay Plus password and account information confidential. You assume all risks for any account information you download and store in your computer software application or download through a non-secure internet connection. In order to help protect you against fraud and prevent misuse of your accounts:

- Use anti-virus and anti-spyware software and keep it updated;
- Update your computer's operating system when available;
- Use the most recent version of your web browser software;
- Do not give out your Account Information, User ID or Password;
- Do not leave your computer unattended when logged into your Online Banking account;

- Do not send confidential account information through any public or general email account.
- Examine your statements promptly upon receipt and contact the Bookkeeping Department if an error is detected; and
- Keep any documents you have printed from your online account in a safe and secure location.

Commercial Bank will never make an unsolicited phone request for your account information, password or other sensitive data. We will never ask you to send information through a public or general email account. If you believe your account information has been lost or stolen, contact The Commercial Bank of Grayson, Attention: Bookkeeping Department, at 606-474-7811, as soon as possible. In addition, log in to your online site and change both your User Name and Password information.

Use of Electronic Mail (Email):

If you need to report an unauthorized transaction from one of your accounts or you need to stop a payment that is scheduled to occur. You should not rely on email. Email transmissions through public or general email are not secure. We advise you not to send us or ask for sensitive or confidential information such as Account Numbers, Password, Account Information, etc. via any general or public email system. If you send the Bank an email message, the Bank will be deemed to have received it on the following business day.

Liability for Unauthorized Transfers (Consumer Transactions Only):

These provisions are only applicable to online electronic fund transfers which credit or debit a consumer's checking, savings or other asset account and are subject to the Electronic Funds Transfer Act (Regulation E). When applicable, the Bank may rely on any exceptions to these provisions which are contained in the Electronic Funds Transfer Act. All terms that are not defined in this Agreement but which are defined in Regulation E shall have the same meaning when used in this section. The following determines your liability for any unauthorized Electronic Fund Transfer (EFT) or any series of related unauthorized EFTs:

- Tell us AT ONCE if you believe your card, ATM PIN, POS card, or PIN, Audio Response Pin or Online Banking PIN has been lost or stolen or you believe an electronic fund transfer has been made without your permission using information from your check. 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). If you tell us within two (2) business days, after you learn of the loss or theft of your card or code, you can lose no more than \$50, if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500.
- Also, if your statement shows transfers that you did not make, including those made with your card or code, 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 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. If a good reason (such as a long trip or a hospital stay), kept you from telling us, we will extend the time periods.
- If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call the **Bookkeeping Department at 606-474-7811** or write us at **Commercial Bank of Grayson, Bookkeeping Department, P. O. Box 7, Grayson, KY 41143**. You should also call the number or write this address if you believe a transfer has been made using the information from your check without your permission.
- **Illegal Transactions:** You may not use your ATM, POS or Debit Card, or other access device for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

Business Days: For purposes of these electronic funds transfer disclosure, our business days are Monday thru Saturday. Holidays are not included.

In Case of Errors or Questions About Your Electronic Transfers:

Telephone us at 606-474-7811, or write us at the **Commercial Bank of Grayson, Bookkeeping Department, P. O. Box 7, Grayson, KY 41143** as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on your statement or receipt. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any)
- Describe the error or the 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;

- Tell us the dollar amount of the suspected error

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. 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 forty-five (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. 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.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) days to credit your account for the amount you think is in error.

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. You may ask for copies of the documents that we used in our investigation.

If a notice of error involves unauthorized use of your point of sale debit card with the VISA logo when it is used as a VISA point of sale debit card, we will provide provisional credit within five (5) business days after you notify us instead of within ten (10) or twenty (20) business days. We may withhold providing this accelerated provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants the delay.

Liability

This section explains our liability to you only to the extent that any other agreements, notices or disclosures have not separately disclosed our liability. In no event shall we be liable to you for failure to provide access to your Online Banking accounts. Unless otherwise required by applicable law, we are only responsible for performing the Online Banking service as delineated in this Agreement. We will be liable for the amount of any material losses or damages incurred by you and resulting directly from our gross negligence. We will not be liable to you in the following instances:

- If through no fault of the Bank, you do not have enough money in your account to make the transfer.
- If circumstances beyond our control (such as fire, flood, power outage, equipment or technical failure or breakdown) prevents the transfer despite reasonable precautions that we have taken.
- If there is a hold on your account, or if access to your account is blocked, in accordance with banking policy.
- If your funds are subject to a legal proceeding or other encumbrance restricting the transfer.
- If your transfer authorization terminates by operation of law.
- If you believe someone has accessed your accounts without your permission and you fail to notify the Bank immediately.
- If you have not properly followed the instructions on how to make a transfer included in this Agreement. .
- If we have received incomplete or inaccurate information from you or a third party involving the account or transfer.
- If we have a reasonable basis for believing that unauthorized use of your Password or account has occurred or may be occurring or if you default under this Agreement, the deposit account agreement, a credit agreement or any other agreement with us, or if we or you terminate this Agreement.

In no event shall we have any liability to you or any third party for any indirect, special or consequential damages resulting from or arising out of this agreement.

Indemnification

You agree to indemnify, defend and hold our affiliate companies, our directors, officers, employees, agents and us harmless against any third party claim, demand, suit, action or other proceeding and any expenses related to an Online Banking or Bill Pay Plus transaction.

Third Parties: We are not liable for any loss or liability resulting from any failure of your equipment or software, or that of an internet browser provider such as Microsoft (Internet Explorer browser), by an internet access provider, or by an online service provider, nor will we be liable for any direct, indirect, special or consequential damages resulting from your access to or failure to access an Online Banking account or Bill Pay Plus account.

Confidentiality: You may access a copy of our Privacy Policy on the Bank's website at www.cbgrayson.com. We will only disclose information to third parties about your account or transfers:

- to complete transfers as necessary;
- to verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant;
- to comply with government agency or court order; or
- If you give us your written permission.

This Agreement is governed by the laws of the Commonwealth of Kentucky and applicable federal law.

APPENDIX A: Bill Pay Plus Disclosures, Terms and Conditions

Accessing Bill Pay Plus:

You must be an authorized Online Banking customer to use Bill Pay Plus. You will access Bill Pay Plus through your Online Banking session. To access Bill Pay Plus, choose Bill Pay Plus on the Online Banking site and activate it for your use.

You may use the Commercial Bank of Grayson's bill paying service, Bill Pay Plus, to direct 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 Online Banking and Bill Pay Plus Agreement and Disclosure, account agreements, disclosures and other documents in effect governing your account.

Some bill payments are made via check and some are made via electronic transaction (ACH). It is your responsibility to have funds available in your account sufficient to pay all requested bill payments whenever processed. If you do not have sufficient funds available, you may incur fees such as overdraft fees or returned item fees.

Setting up Payments

It is your responsibility to schedule payments far enough in advance to allow the Bill Pay Plus service to process and send your payment in advance of your payment due date. This may be up to five (5) days prior to the payment due date. Payments may be set up for one-time payments or recurring payments. It is your responsibility to cancel, skip, reschedule or revise scheduled payments as necessary. Other restrictions on payments through Bill Pay Plus include:

- Commercial Bank reserves the right to refuse the designation of a "Payee" for any reason or to restrict categories of payees.
- The designated "Payee" must be located within the United States (including U.S. territories and APO/AEOs).
- Commercial Bank is not responsible for payments that cannot be made due to incomplete, incorrect, or outdated information.
- Payment amounts can be no more than \$9,999.99 per transaction.
- Tax payments, court ordered payments (such as alimony and child support), and securities transactions should not be made via Bill Pay Plus.

Bill Pay Plus Process: Please allow ample time for your payments to reach your "Payees".

CUTOFF TIME: The daily cut-off time is currently 4:00 p.m. Eastern Time for both bill payments and transfers.

Single Payments – A single payment will be processed on the business day (Monday-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. Next day and second day processing is available at an additional charge.

- A *single bill 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 (weekends and certain holidays) as the payment's process date, you will have a choice to process the payment on the business day prior to the weekend or first business day following the designated process date.

Recurring Payments—When a recurring payment is processed, the next payment is automatically rescheduled by Bill Pay Plus. Based upon your selected frequency settings for the payments, a process date is calculated for the next occurrence of the payment. If you designate a non-business day (weekends and certain holidays) as the payment's process date, you will have a choice to process the payment on the business day prior to the weekend or on the first business day following the designated process date. For recurring payments that were set up prior to 05/06/2013, the payment will process on the next business day. You are advised to check your recurring payments at the beginning of each month and adjust the process date where necessary.

Transfer of Funds: In addition to viewing account information, you may use Bill Pay Plus to conduct a transfer of funds. You may perform transfers between accounts or schedule future or recurring transfers between accounts such as transfers to make loan payments. You may transfer funds among your checking accounts, savings accounts and money market accounts. You may also transfer funds between your accounts at Commercial Bank and an external institution.

Canceling a Bill Payment or Transfer of Funds:

- A Bill Pay Plus payment can be changed or canceled any time prior to the cut-off time on the scheduled process date.
- A Gift Check or Charitable Donation Check may be stopped until the check is cashed. After 90 days, if the check has not been cashed, the amount of the check will automatically be refunded to the payer.
- A Transfer of Funds may be canceled any time prior to the cut-off time on the scheduled process date.

Service Fees

The use of Bill Pay Plus is a free service of the Commercial Bank of Grayson.

Additional charges that could be incurred include:

- Gift Check Fee of \$2.99 per check
- Charitable Donation Fee of \$1.99 per check
- Next Business Day Rush Payment Fee per check of \$14.95
- Second Business Day Rush Payment Fee per check of \$9.95

Amendments or Termination

You may terminate this Agreement and your Bill Pay Plus service at any time by mailing a written notice of the termination to the Commercial Bank of Grayson, Attention: Bookkeeping Department, P. O. Box 7, Grayson, KY 41143 or hand delivering a written notice to the Customer Service Department in any of the Bank's offices. If you terminate your Bill Pay Plus, you authorize the Bank to continue making transfers and bill payments you have previously authorized until we have had a reasonable opportunity to act upon your termination notice, normally 10 days from date we receive the notice.