

## Business/Non-Consumer Online Banking Agreement & Disclosure Statement

**Please read this Agreement. This Online Banking Disclosure (“Agreement”) establishes the terms and conditions governing North Shore Online Banking. Services include account access, fund transfers, Automated Clearinghouse (ACH) transactions, cash management, wire transfers, bill payments and other online banking services offered. This Agreement is in addition to the terms and conditions described in any Account Agreement, Disclosures, ACH Origination Agreement or any other deposit, loan or credit agreements you have with us, as well as all applicable laws and regulations. You understand that by accessing our Services you agree to the terms and conditions described in this Agreement and acknowledge your receipt and understanding of this Agreement.**

**General Terms and Conditions.** In this Agreement, the words, “we”, “us” or “our” mean North Shore Bank of Commerce, and the words “you”, “your” or “company” mean each person or company who has an interest in an account or other relationship which is accessible through North Shore Bank Online Banking Services and any person authorized for such access. The term “Services” refers to North Shore Online Banking that allows you to perform transactions over the Internet, including optional services which include but are not limited to ACH Origination, Wire Transfer Origination and Bill Payment, by use of a compatible personal computer. Personal Identification Number is referred to as “PIN” throughout this agreement.

**Internet Connection, Equipment and Software.** You are responsible for obtaining and maintaining Internet service and the necessary computer equipment, including but not limited to a web browser program featuring 128-bit encryption. We do not endorse or provide an Internet Service Provider (ISP). If you do not currently have an ISP, you are required to obtain one and monthly charges from your ISP may apply. Software and ISP requirements may change from time to time and may affect your ability to access our services. We are not responsible for any errors, failures or malfunctions of your computer software or for any computer virus or related problems that may occur with your use of the Services. We encourage you to utilize virus protection software to limit your risk. We are also not responsible for the actions or inactions of your ISP. You understand and agree that use of or connection to the Internet is inherently insecure and that connection to the Internet provides opportunity for unauthorized access by a third party to your computer systems, networks, and any and all information stored therein. Although the Service operates using a secure connection and encryption, all information transmitted and received through the Internet is subject to unauthorized interception, diversion, corruption, loss, access and disclosure. We shall not be responsible for any adverse consequences whatsoever of your connection to or use of the Internet, and shall not be responsible for any use by you of an Internet connection in violation of any law, rule, or regulation or any violations of the intellectual property rights of another.

**Eligible Accounts.** As used in this Agreement, the term “your Accounts” means collectively the eligible North Shore Bank of Commerce business checking accounts (your “Checking Accounts”), business savings accounts (your “Savings Accounts”), business time deposit accounts (your “Time Deposit Accounts”), business Loans (your “Loan Accounts”), business Overdraft Protection (your “Overdraft Protection”) or business Lines of Credit (your “Lines of Credit”) designated by you in the Application and approved by us for use with the Service. In order to access ACH Origination, Wire Transfer Origination or Bill Pay, you must apply, be approved for and have a business checking account with us. If you have more than one business checking account with us, you may choose to make payments from multiple qualified business checking accounts. Some restrictions apply, please refer to Page 4: Payment Accounts, of this agreement. Service fees (if applicable) and bill payments will be deducted from your primary Online Banking Account. You agree to properly maintain any accounts you have with us, to comply with the rules governing these accounts, and to pay any fees associated with the use or maintenance of these accounts. Accounts with restrictions may affect our ability to provide the Services. *You may not designate any account that requires more than one signature.*

**System Availability.** Online Banking Services ([www.banknorthshore.com](http://www.banknorthshore.com)) is accessible 24 hours a day, seven days a week except when our system is down for maintenance or unforeseeable reasons. Where possible, we will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will be provided. During interruptions of service, you may use the Telephone Teller Service (218-733-5555), or branch to conduct your transactions.

**Termination.** You may terminate your use of the Service by providing us with ten (10) business days prior written notice at North Shore Bank of Commerce P.O. Box 16450, Duluth, MN 55816-0450. In addition, before you terminate the Service, you must separately cancel all your Checking and Savings Account transfers, ACH Files, Wire Transfers, and Bill Pay payments you scheduled through the Service if you do not want those transfers, ACH Files, Wire Transfers, and Bill Pay payments to be made after your notice of termination of the Service. If you do not cancel your Deposit Account transfers, ACH Files, Wire Transfers, and scheduled Bill Pay payments before you terminate the Service, those transfers and payments may be made. You will also be responsible for any ACH, Wire Transfer, and Bill Pay service fees which have not been billed to your Payment Account. We may terminate your use of the Service, in whole or in part, for any reason and at any time without prior notice. Your access to the Service may, for example, be terminated if your accounts are closed for any reason. ACH Origination, Wire Transfer Origination, and Bill Pay services may be terminated if your Payment Account is closed, if there are insufficient funds in your Payment Account and you do not have Overdraft Protection, or if access to your Payment Account is restricted for any reason. Termination will not affect your liability or obligations under this Agreement for payments or transfers we process on your behalf. However, termination will result in a loss of transaction history information about your Accounts, ACH File, Wire Transfer, and Bill Pay payee information stored on the Service.

**Security.** Access to North Shore Bank’s Online Banking requires the use of a unique ID and PIN (the “Login Codes”) assigned to your company. In addition, you may assign each cash management user within your company their own unique set of Login Codes (“User Codes”) to be used in conjunction with your company Login Codes. Login Codes and Users Codes will be referred to as “Access Codes”. You agree and accept all responsibility to control which individuals have access to Access Codes, and to assign and update any User Codes for such individuals. Use of North Shore Bank’s Online Banking with the Access Codes authorized by us will be deemed by us to be valid and authentic communication.

In order to maintain secure communications and reduce fraud, you agree to protect the security of your Online Banking Access Codes, Wire Transfer PIN, and Bill Payment ID and PIN or other means of identification. These Access Codes and PIN’s can be used to access information about your Accounts, to transfer money from your Deposit Accounts, Originate ACH Files, Originate Wire Transfers, and to pay others through Bill Pay. You should treat your Access Codes with the same degree of care and confidentiality that you use to protect other sensitive personal financial data including other PIN’s, ID’s and Passwords. You agree not to give your Access Codes or PIN’s, or make them available, to any person not authorized to access your Accounts. We reserve

the right, but undertake no obligation, to block access to the Services to maintain the security of our site and its system, if we reasonably believe your Access Codes have been or may be obtained or are being used or may be used by an unauthorized person(s). Additionally, under no circumstances will a North Shore Bank of Commerce employee request your Access Codes or PIN's via the Internet, e-mail or by any other means. **DO NOT** respond to such a request even if the individual claims to represent North Shore Bank of Commerce. You should not send confidential information via the Internet or E-mail. In addition, after a brief period of monitoring your login patterns, you will be prompted to select some personal verification questions. Thereafter, these verification questions will be prompted as an additional security measure if it is determined that your login patterns have varied from your normal patterns.

**The Service.** Subject to the terms and conditions of this Agreement, you may access the following Account information along with the following transactions:

- Review and print transaction registers and statements for your Checking and Savings Accounts.
- Confirm deposits and withdrawals posted to your Checking and Savings Accounts.
- Transfer funds between your Checking and Savings Accounts (Refer to Account Transfer section for any limitations which may apply.)
- Obtain account related information such as current balances, loan payment amounts, payment due dates and certificate of deposit maturity dates.
- Make payments from your Checking and Savings Accounts to your Credit Accounts.
- Obtain advances from your eligible Line of Credit Accounts.
- Download transaction history for your Accounts to certain financial management programs, spreadsheets and word processing program that you may have on your PC. We do not warrant that the service is compatible with any particular financial management programs, spreadsheet and/or word processing program. You understand and agree that the transaction histories for your Accounts that you access through the Service reflect activity through the close of the previous business day.
- Initiate Stop Payment requests on checks drawn on North Shore Bank.
- View and download Cash Management information, such as current over the counter items, inclearing items, wire transfers and ACH totals in a pre-determined format.
- Assign administrative authority to users within your company.
- Ask us questions about the Service using E-Mail.
- Receive E-Statements delivered to you and designated recipients' inboxes to electronically view and print monthly statements.

Optional Services (Available upon approval)

- Bill Pay to schedule and make bill payments from your designated Checking Account(s) to us and your Payees.
- Originate Wire Transfer transactions to designated payees.
- Originate ACH transactions to/from authorized participants.

**You may not use the Service to:** Close or renew your Time Deposit Accounts or withdraw or transfer funds to and from your Time Deposit Accounts.

**Account Transfers.** You may transfer funds to and from your Checking and Savings Accounts as long as you have sufficient funds available to complete the transfer. Transfers from your Checking and Savings Accounts may not be completed if you do not have sufficient funds in your Checking and Savings Accounts to do so. Requests made after 5 p.m. Central Time or on a non-Business Day will be considered to be made the next Business Day. Requests to transfer funds between Accounts will not result in immediate funds availability because of the time required to process the files. If there are not available funds in the Deposit Account from which a transfer is being made, you will be notified by a message stating 'funds are not available to complete the transfer' and the transfer will not be processed. Your ability to make a transfer from your savings accounts and money market accounts is restricted by Federal Reserve Board Regulation D. For each of your savings accounts and money market accounts you are prohibited from making more than six pre-authorized transfers per month, no more than three of which may be payable to third parties, such as checks or ACH transfers. Pre-authorized transfers include transfers made through North Shore Online Banking. The following transfers do not count towards your limit: (1) transfers from your North Shore Bank savings account or money market account to repay any amount owed to North Shore Bank for loans and associated expenses; (2) transfers made by mail, messenger, or in person; or (3) withdrawals authorized by you by telephone or online if the funds are mailed to you by check. Once a savings or money market account has violated the Regulation D limit rules, North Shore Bank will contact you by mail. If the violation continues, we will be forced to convert the account to a transaction type account.

**Wire Transfer Origination.** Wire Transfer Origination is considered an optional service requiring bank approval. Upon approval a separate Wire Transfer PIN will be assigned to your company and accessible only by Cash Management Users that are authorized to transmit Wire Transfer Originations. Authorized Cash Management Users will have the ability to create and transmit Wire Transfer Origination information.

You must obtain and input accurate transfer information. You agree to take fully responsibility for inaccurate wire transfer information, which may result in an untimely, unprocessed or inaccurate transfer of funds. A "Sent" wire message simply indicates that the Cash Management User has successfully transmitted the wire information to North Shore Bank. It does not insure that North Shore Bank has actually processed the wire through the Fed Wire System, but only that the wire has been entered into our system. You must have collected funds in your designated business checking account to send a wire transfer. Collected funds are validated and your account memo posted at the time you send the wire transfer to NSBC. **We will undertake best efforts to timely effect any wire transfers for which we receive wire transfer originations before 1:30 P.M. Central Standard Time Monday–Friday. Requests received after 1:30 P.M. Central Standard Time Monday–Friday, or anytime on weekends or banking holidays, will be processed the following business day. However, we cannot and do not guarantee that wire transfers will occur on the same day wire transfer origination is received, and we disclaim any liability for any failure to do so.**

**We shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond our control.**

**Automated Clearinghouse Origination (ACH).** ACH Origination is considered to be an optional service requiring bank approval and completion of an ACH Origination Agreement. Upon completion of the ACH Origination Agreement you will have the ability to create and/or transmit ACH file information based on the terms and conditions set forth in the ACH Origination Agreement.

**Business Use.** In order to use our Accounts with the Service, you must have established your Accounts for business or commercial purposes only. You agree and warrant to us that use of the Service by an Authorized User shall be solely for business or commercial purposes, and that no consumer use of the Service shall be permitted under any circumstances. You acknowledge and agree that the Service will not be treated as a consumer access device under the provisions of the Electronic Funds Transfer Act or any other State or Federal Law. Therefore, you will not have the benefit of any limitation of liability with respect to the unauthorized use of the Service. You agree to take full responsibility if your Accounts are consumer, and to reimburse us for any loss, costs or expenses we incur as a result of your use of the Service for consumer access.

**Assignment.** You may not assign this Agreement or the Application, or any of your rights or responsibilities under this Agreement or the Application to any other party. We may assign this Agreement and the Application, or any or all of our rights and/or responsibilities under this Agreement and the Application, or delegate any or all of such rights and responsibilities to any third party or parties.

**Other Terms.** We reserve the right to change the charges, fees or other terms described in this Online Agreement. Additional fees may be assessed for services including but not limited to Stop Payments, Wire Transfers, ACH Origination and Bill Pay Services. When changes are made to any fees, charges or other material terms, we will update this Online Agreement and either send a notice to you at the address shown on our records, or send you an electronic mail message (E-mail).

**Account Ownership.** If the business is a sole proprietorship or partnership, then all individual account owners must apply for the Service. If the business is a corporation, the individual applying for the Service must show evidence of his corporate authority and be an authorized signer on the eligible Accounts. Any one of the owners/authorized Account signers on eligible Accounts may access those Accounts by applying for and using the Service. We are not required to provide prior notice to other owners/authorized Account signers. You further agree that any one of those owners/authorized Account signers may initiate and authorize an ACH File, Wire Transfer and/or Bill Pay payment, and we can act on that authorization. In addition, none of your Accounts, including but not limited to your Payment Account(s), may be an Account which requires more than one signature for transactions. Each Account holder individually releases us from any liability and agrees not to make any claim or bring any action against us for honoring or allowing any actions or transactions where the person performing the action or transactions is one of you or is otherwise authorized to use your Online Banking, Cash Management or Bill Payment accounts. Each of you agrees to indemnify us and hold us harmless from and against any and all liability (including, but not limited to, reasonable attorney fees) arising from any such claims or actions.

**Periodic Statements.** You will get a monthly Account Statement from us for your transaction account(s). You will get a monthly Account Statement from us for your savings account(s), unless there are no transfers in a particular month. In any case, you will get a savings statement quarterly. All your payments made through Bill Pay during a particular month will appear on your monthly Account Statement. The Payee Name, Payment Amount, and Payment Date will be reflected for each payment made through Bill Pay. You agree to promptly check and carefully review your Account Statements for discrepancies. If there are any discrepancies on any account or loan statements you receive, you should contact North Shore Bank of Commerce immediately by calling (218) 722-4784.

**Unauthorized Transactions.** Tell us AT ONCE if you believe your ID, Access Codes or PIN's for North Shore Online Banking or Bill Payment Service have been lost or stolen. Telephoning us is the best way of keeping your possible losses down. You could lose all of the money in your account (plus your maximum overdraft protection line or other credit lines).

**Contact in event of Unauthorized Transactions.** If you believe your ID, Access Codes, or PIN's have been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call, write or e-mail at the telephone number, address, or e-mail address listed in this disclosure.

**Limitation of Liability.** Except as otherwise expressly provided for in this Agreement or by applicable law, we are not responsible for any loss, injury, or damage, whether direct, indirect, special, consequential, exemplary economic or otherwise caused by the Service or the use of the Service or arising in any way out of the installation, use or maintenance of the Software, or otherwise caused by us, Netscape, Microsoft or any other third-party internet access or on-line service provider or their agents or subcontractors. We are not responsible for any home banking, personal financial management software or other products or services relating to your PC or the Software, other than those specified in this Agreement. We also are not responsible for any damage to your PC, software, modem, telephone or other property resulting from your installation, use or maintenance of the Software, or from a virus, worms, trojan horses, or other harmful components or code that may enter your PC. Without limiting the generality of the foregoing, we are not responsible for any loss, damage or injury resulting from (a) an interruption in your electrical power or telephone or internet service; (b) the disconnecting of your telephone or internet service by your local telephone or internet service company or from deficiencies in your telephone or internet service quality or (c) any defect or malfunction of your PC, modem or telephone or internet service.

**Exclusions of Warranties.** YOU AGREE THAT WE ARE PROVIDING THE SERVICE ON AN "AS IS" BASIS WITHOUT ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**Data Recording.** By enrolling in the Services you agree that we may record information and electronic messages (e.g., e-mail) you send to us via our website or the Services.

## THE FOLLOWING APPLY TO YOUR USE OF iPay FOR BUSINESS (Bill Payment Service)

**Introduction.** If you select Bill Pay on the Application, you may make payments through the Service to any business, merchant, or professional that generates a bill or invoice for products or services provided to you or on your behalf. You may also make payments through the Service to individuals, family, or friends. You can also send gift checks or make charitable contributions, person to person and bank to bank transfers through iPay for Business. Payments may be made only to Payees with a U.S. payment address and only in U.S. dollars. You authorize payments to be made by online check or electronic funds transfers debited against your Payment Account(s).

### **iPay for Business Service (Bill Payment)**

**Fees.** If you have selected Bill Pay, you agree to pay a monthly service fee of \$5.95, which includes 20 Bill Pay transactions. An additional charge of .40 cents will be assessed for each bill payment over 20 during a calendar month. The monthly Bill Pay service fee will be deducted from your Payment Account each month and reflected on your regular monthly Payment Account statement. The monthly Bill Pay service fee is in addition to any other fees or charges imposed on your Deposit and Credit Accounts pursuant to the applicable Account Agreements. If you request an attempt to cancel a Bill Payment after it has been initiated, you will be charged a fee of \$25.00. Fees apply to Expedited payments, Gift checks and charitable contributions, these fees are disclosed within iPay for Business.

**Payment Account(s).** On the iPay for Business Application, you designated your North Shore Bank of Commerce business checking account(s) for use with iPay for Business. Only business checking accounts qualify. You must be an owner or authorized signer on each selected Bill Pay account(s). Business Savings, personal, and certain other accounts do not qualify.

**Your Individual Payee List.** You must provide sufficient information about each Payee to properly direct a payment to that Payee and permit the Payee to identify the correct account to credit with your payment. The information may include, among other things, the name, address and telephone number of the Payee and your Payee Account number. When entering your Payee Account number, you must enter the number as shown on your billing statement, including spaces, dashes, etc. If you do not provide sufficient information regarding your Payees, your payments may not be made or your payments may be made to an incorrect Payee Account. You can enter your Payee Information through the Service directly from your PC or Mobile Device. Your Payee names and Payee Account numbers are stored in a database and can be retrieved, deleted or changed at your convenience. We reserve the right to reject and refuse to pay any Payee at our sole discretion. If we do so, we will promptly notify you of our decision. However, we will not be obligated to provide you with a notice if you attempt to schedule a payment, which is prohibited under the terms and conditions of this agreement.

**Scheduling Payments.** To schedule a payment through the Service, you must first set up your payment by: (a) selecting an existing Payee setup to receive payments or by entering the required new Payee Information in accordance with the procedures in the On-line Help; (b) entering the amount of your payment; (c) entering the Payment Date (refer to Payment Date below); (d) for Recurring Payments, (refer to Recurring Payments below), entering how frequently you would like such payments to be initiated. Individual payments may be made in any amount. You are limited only by the amount of funds in your account. Electronic payments are validated against the available account balance prior to processing, however, if there are not sufficient funds to process the payment we will make no more than 3 processing attempts before cancelling your payment. Check payments settle against your account like any other check. There is nothing that checks for multiple payments for the same amounts going to the same vendor on the same day. There are no limitations on the number of transactions that can be made during any time period to or from your Account(s).

**Recurring Payments.** You may schedule payments to particular Payees to be automatically initiated in a fixed amount on the same date either weekly, every other week, every four weeks, twice monthly, monthly, every other month, every three months, every six months or annually. It is not necessary to enter an anticipated expiration date for Recurring Payments. If the processing date you choose is a non-business day, the payment will be processed on the first business day prior to the calculated processing day. If your frequency setting for the recurring payment specifies the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup> as a particular day of the month for processing and that day does not exist in the month of the calculated processing date, then the last calendar day of that month is used as the calculated processing date.

**Payment Date.** You may specify the date by which you want the payment to be made ("Payment Date"). That day can be any valid future date. You should set your payment date 5 to 7 *business* days in advance of your payment due date for check payments and 3 *business* days in advance of your payment due date for electronic payments to ensure your bills are paid on time. iPay for Business will estimate the arrival date for you. Once you have set up a Payee, you can look at the PAYEE LIST screen to see if the Payee is electronic or check. For an electronic payment, funds are debited the same day that the payment is sent, providing it is sent by 2:00 p.m. CST. Electronic payments submitted after 2:00 p.m. CST are debited the next day during iPay processing. Check payment funds are debited from the account when the check clears your account at the bank. It is your responsibility to transmit your bill payment authorizations in such a manner that your bills are paid on time. You are responsible for any late payment charge, finance charge, penalty or default that may result from your failure to transmit payment authorizations in sufficient time.

**Changing or Canceling Payments.** You may add, edit, or delete a payment up to 8:00 AM CST on the day the payment is scheduled to be sent. If a same day payment is submitted between 8:00 AM CST and 2:00 PM CST it may be edited up until 2:00 PM CST. If you request an attempt to cancel a Bill Pay Payment after it has been initiated (check payees only), you will be charged a fee. (refer to Fees)

### **P2P (Person-to-Person) Payments Agreement**

**Introduction.** The following Terms and Conditions ("Agreement") apply to our P2P (Person-to-Person) Payments service.

**Acceptance.** By accepting this Agreement and by using P2P Payments, you agree to all the terms, conditions and notices contained in this Agreement and accept responsibility for your use of P2P Payments. Please read this Agreement carefully before accepting. We may amend these terms, and modify or cancel services and features we offer, from time to time without notice, except as may be required by law.

Any Account accessed through this service is also subject to our standard Account Agreements and Disclosures, which you should review carefully, as it may include transaction limitations and fees which might apply to your use of P2P Payments.

**Definition of Terms.** **P2P (Person-to-Person) Payments** means the service which allows you to send funds to an outside email or cell phone number with instructions detailing how the contact can get the money sent. The recipient determines the bank where the funds will be deposited.

**Transfer Limitations:**

Transaction Payment Limit: \$2,500.00

Daily Payment Limit: \$ 2,500.00

**Transaction History.** You may view your transaction history by logging into Internet Banking and looking at your Account History. Your history is also available through statements and the periodic statements we provide you.

**How to Notify Us of Unauthorized EFT, Lost Device, Error or Inquiry:**

- You agree to notify us immediately if you believe your user name, password, or PIN has become known or an unauthorized transaction has occurred involving your Account. Please call 218-722-4874 or email us at [support@banknorthshore.com](mailto:support@banknorthshore.com).
- You must include the following information: Your name and Account number; a description of the error, loss and/or EFT that you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and, the dollar amount of the suspected error or unauthorized EFT.
- If you tell us orally, we may require that you send us your complaint or question in writing within 10 Business Days.
- We must hear from you no later than 60 days after the date we send the first statement on which the problem or error appeared.

**Financial institution's liability.** 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 when you have properly instructed us to do so, we will be liable to you for your losses or damages caused as a result. However, there are some exceptions. We will NOT be liable, for instance:

- If, through no fault of ours, you do not have enough money in your Account to make a transfer.
- If a legal order directs us to prohibit withdrawals from the Account.
- If your Account is closed, or if it has been frozen.
- If the transfer would cause your balance to go over the credit limit of an established line of credit or the credit limit for any credit arrangement set up to cover overdrafts.
- If you, or anyone authorized by you, commits any fraud or violates any law or regulation.
- If any electronic terminal, telecommunication device, or any part of the internet banking electronic funds transfer system is not working properly and you knew about the problem when you started the Transfer.
- If you have not properly followed the on-screen instructions for using P2P Payments.
- If circumstances beyond our control (such as fire, flood, interruption in telephone service or other communication lines) prevent the Transfer, despite reasonable precautions that we have taken.
- In addition, we will not be liable to you if you fail to correctly identify by name and e-mail address or mobile number a recipient of the transfer. We may rely upon the e-mail address or mobile number to make payment, even if it identifies a financial institution, person or account other than the party named as the intended recipient.

**Fees.** We do not currently charge a fee for P2P Payments. Standard messaging rates apply.

**Notices.** We will notify you of any changes, fees, or other information about P2P Payments, if required by law. Notices required to be given by us under this Agreement or by law may be sent electronically or in writing and mailed to you at the mailing address that we have on file.

**Indemnification.** You agree to indemnify, defend, and hold us and our affiliates, officers, directors, employees, P2P Payments service providers, and licensors harmless from any and all third party claims, liability, damages and/or costs (including but not limited to reasonable attorneys' fees) 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 P2P Payments.

**Entire Agreement.** This Agreement, as it may be amended from time to time, together with any other disclosures or documents provided to you about your P2P Payments service and Accounts, contains the entire agreement between you and supersedes any other or oral communications and previous agreements, if any, with regard to P2P Payments.

**Governing Law.** This Agreement shall be governed by and construed in accordance with all applicable federal laws and the By-laws of North Shore Bank as they now exist or may be hereafter amended.

**Transfers:**

**Outside the Bank to Accounts You Own.** Within iPay for Business you may have the option of transferring funds between your linked deposit accounts with the bank and certain deposit or investment accounts at other financial institutions (International Transfers are not supported). You will need to set up and verify each of your non-North Shore Bank accounts that you wish to use for these transfers. You agree that you will only attempt to set up and verify accounts for which you have the authority to transfer funds.

**Incoming Transfers.** Funds will be debited from your account outside the bank on the date you selected or the system adjusted date for the transfer, and will be credited to your account with the bank on the third business day following the date displayed on the Transfer History screen.

- When scheduling a future dated or recurring transfer from your external account to your account with the Bank all transactions will be processed with the Standard delivery timeframe.
- The date that is displayed to you on the Transfer History screen is the date the funds will be debited from your external account.

**Outgoing Transfers.** Funds will be debited from your account with the bank two business days before the adjusted date for the transfer. Funds will be credited to your account outside the bank within one business day following the date displayed to you in your transfer history.

- When scheduling a future dated or recurring transfer from your account with the bank to an external account the date you select is typically the date the funds will post to the external account and your account with the bank will be debited 2 business days prior to that date.
- The date that is displayed to you on the Transfer History screen is the date the funds will be credited from your external account.
- Transfers Outside the Bank can be initiated on either a 1-time or a recurring basis. The recurring transfer feature may be used when a set amount is transferred at regular intervals. For example, a \$100 transfer from an account you own at another financial institution to your North Shore Bank checking account that occurs every 2 weeks. All scheduled transfers will occur with Standard delivery.

- One-time future-dated or recurring transfers scheduled for a weekend or a non business day will be processed on the next business day.
- Future-dated and recurring transfers can be canceled prior to 2:00PM CT on the business day prior to the date the transfer is scheduled to be made. However, if the transfer's status is In Process or Processed, you can no longer cancel it. After you cancel a future-dated transfer, the status changes to Canceled. Canceled transfers remain on the Transfers History screen.

**Transfers Outside the Bank to accounts you own are subject to the following fees and qualifications:**

○ **For Retail Customers Only**

- Incoming Transfers:
  - There is no fee for transferring funds into the bank.
- Outgoing Transfers:
  - Standard – There is not fee to transfer money to accounts you own at other financial institutions.

**Transfers Outside the Bank are subject to the following dollar limits:**

**Standard Transfers:** Incoming/Outgoing Transfers Per Business Day or Total In Process funds: \$2,500

○ **For Business Customers Only**

- Incoming Transfers:
  - There is no fee for transferring funds into the bank.
- Outgoing Transfers:
  - Standard – There is no fee to transfer money to accounts you own at other financial institutions.

**Transfers Outside the Bank are subject to the following dollar limits:**

**Standard Transfers:** Incoming/Outgoing Transfers Per Business Day or Total In Process funds: \$2,500

○ **For All Customers**

- The above limits apply to the total of all Transfers Outside the Bank for all accounts. Any transfer initiated on a day that is not a business day counts toward the applicable limit for the next business day. A transfer remains "In Process" until fully processed and it will appear as "In Process" on the Transfer History screen within Online Banking. Transfers typically remain In Process until the close of the third business day after the transfer is initiated.
- Transfers Outside the Bank are available to all customers, but you agree we may cancel, without prior notice, upon the occurrence of a "Disqualifying Event," as defined below.
- We may change your dollar limits at any time. Any decrease will be subject to notice, as required by law, but you agree that we may reduce your limits stated above without prior notice upon occurrence of a Disqualifying Event.
- Each of the following is a "Disqualifying Event":
- You have had an overdraft, an over-limit item, or an item returned for insufficient funds with respect to any North Shore Bank account during the current or 3 prior calendar months.
- Any of your accounts with North Shore Bank are not current or are not in good standing.
- Processing of Transfers Outside the Bank.
  - Once a transfer is scheduled, your transfer will be reviewed as part of our fraud prevention process, and may be held until further confirmation is received by you. If necessary, we will make attempts to confirm the transfer with you either by telephone or email. You agree to respond to us at your earliest convenience to avoid any delays of your transfer processing.
- **Transaction Processing for Transfers Outside the Bank – North Shore Bank shall process Entries on your behalf,** including by transmittal through a Clearing House and therefore you agree to abide by all applicable laws of any such clearing house and all applicable NACHA rules. North Shore Bank can reject a transfer if it is not in compliance with all applicable rules.
  - You shall be solely responsible for the accuracy and completeness of Transfer Instructions transmitted to North Shore Bank. North Shore Bank shall not be responsible for any errors in the Instructions or requests for cancellation or amendment of Instructions transmitted to North Shore Bank by you, and your sole recourse for erroneous or unauthorized Entries or Instructions received by North Shore Bank from a third-party processor acting on behalf of you is against such third-party processor and not against North Shore Bank.
- Settlement for Entries will occur as provided in the Rules, except that North Shore Bank may, upon notice, require Settlement prior to processing. Payment of a Credit Entry by the Receiving Depository Financial Institution to the Receiver shall be provisional until receipt by the Receiving Depository Financial Institution of final Settlement for such Entry. You acknowledge that, if such final Settlement is not received, the Receiving Depository Financial Institution shall be entitled to a refund from the Receiver of the amount credited and you shall not be deemed to have paid the Receiver the amount of the Entry.
- If an Entry describes the Receiver inconsistently by name and account number, payment may be made on the basis of the account number even if it identifies a person different from the named Receiver. In addition, if an Entry describes the Receiving Depository Financial Institution inconsistently by name and identification number or routing number, payment may be made on the basis of the identification number or routing number even if it identifies a financial institution other than the named Receiving Depository Financial Institution.
- If you transmit an Entry that instructs North Shore Bank to debit or credit an account at a financial institution that does not participate in an ACH association, North Shore Bank may reject such Entry and use reasonable efforts to notify you of such rejection.
- You agree to maintain sufficient collected balances in your Account to cover your transfer obligations for all Entries transmitted to North Shore Bank. You authorize North Shore Bank to obtain payment of any amount due North Shore Bank with respect to any of the Entries by debiting, without prior notice or demand, the Account or any other account maintained by you at North Shore Bank or, to the extent permitted by applicable law, any of its affiliate banks. Entries requiring payments in excess of the collected balances available in the Account may be returned unprocessed by North Shore Bank, provided that North Shore Bank may, in its discretion, debit other accounts maintained by you at North Shore Bank in order to complete the Entry or honor the payroll check. You shall fund the Account with collected funds on or prior to any applicable Settlement

Date, or, if so notified by North Shore Bank, on or prior to the date any Entries are to be processed. In the event that there are not sufficient collected funds in the Account to cover all Entries transmitted to North Shore Bank by you, such Entries will be completed in the order determined by North Shore Bank. If you fail to fund the Account as required, then North Shore Bank may refuse to provide Transfers Outside the Bank Services to you.

- With respect to Credit Entries, you agree that North Shore Bank may place a hold on funds in the amount of the Entry between the time the Entry is transmitted to North Shore Bank and the time the transfer is completed.
- With respect to Debit Entries, you agree that North Shore Bank may place a hold on amounts credited to the Account between the time the amount is credited and the time the credit becomes final and irrevocable. North Shore Bank requires you to fund the Account in advance of a Settlement Date in an amount sufficient to cover all Entries scheduled to be settled on such date.
- Periodic Statements - Transfers Outside the Bank Entries processed will be reflected in periodic statements issued by North Shore where applicable. You must notify North Shore Bank promptly of any discrepancy between your records and the information reflected in such periodic statements. If you fail to notify North Shore Bank of any such discrepancy within the time period set forth in the Account Agreement, you shall be precluded from asserting the discrepancy against North Shore Bank.

**THE FOLLOWING PARAGRAPHS APPLY TO ELECTRONIC TRANSFERS AND PAYMENTS TO/FROM YOUR DEPOSIT AND CREDIT ACCOUNTS.**

**Our Liability for Failure to Complete Payments or Transfers.** We will make a reasonable effort to complete a payment or transfer on time or in the correct amount according to our account agreement with you. North Shore Bank of Commerce holds no liability for completing payments or transfers including but not limited to, the following:

- If through no fault of ours, you do not have sufficient funds available in the account from which a payment or transfer is to be made, or if the account has been closed or is not in good standing, or if we reverse a payment or transfer because of insufficient funds.
- If any payment or transfer would go over the credit limit of any account.
- If your equipment or ours was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.
- You did not receive a confirmation or transfer number for the transaction or you cannot produce a valid confirmation or transfer number for the transaction.
- If you have not given us complete, correct or current account numbers or other identifying information so that we can properly credit your account or otherwise complete the transaction.
- If you do not properly follow our instructions or if you provide us with wrong or inaccurate information or fail to correct or tell us about any inaccuracy you are aware of.
- If you do not instruct us soon enough for your payment or transfer to be received and credited by the time it is due.
- If the money in the account from which a payment or transfer is to be made is subject to legal process or other claim that restricts the transaction.
- If circumstances or persons beyond our control prevent, delay, intercept or alter the transaction, despite reasonable precautions that we have taken.
- Through the exercising of any right granted and authorized by the account or other agreements you have with us.

**Errors or Question Resolution.** In case of errors or questions about North Shore Online Banking or Bill Payment transactions, you must notify us at once. We must hear from you no later than 60 days after we sent you the first statement on which the problem or error appeared. You may contact us by:

- Telephoning North Shore Bank of Commerce at (218) 722-4784, M - F (8:00am – 5:00pm) Excluding Federal Holidays.
- Bill Payment Customer Service at (218) 722-4784.
- Send an E-mail to support@banknorthshore.com
- Write to us at North Shore Bank of Commerce P.O. Box 16450, Duluth, MN 55816-0450.

If you notify us verbally, we may require that you send us your complaint or question(s) in writing within ten (10) business days.

For all errors you must:

1. Tell us your name and account number.
2. Describe the error about which you are unsure 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.

We will tell you the results of our investigation within 10 business days after we hear from you, and we will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or questions. If we decide to do this, we will recredit your account within 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 questions in writing and we do not receive it within 10 business days, we do not need to recredit your account while we complete our investigation. If we determine that there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents used on our investigation.

**Disclosure of Account Information to Third Parties.** We will disclose information to third parties about your Deposit and Credit Accounts or the transfers or payments you make:

- (a) Where it is necessary for completing a payment; or
- (b) In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant; or
- (c) In order to comply with governmental agency or court order; or
- (d) If you give us your written permission