

Electronic Fund Transfers

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Electronic Funds Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic funds transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction, (typically, at the point of purchase, a merchant will post a sign and print the notice on the receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check. Thus, you should only provide your bank and account information (whether over the phone, the internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic funds transfers.

Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or savings account(s).
- **Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Please also see Limitations on frequency of transfers section regarding limitations that apply to savings accounts.

Info Line Telephone Transfers

Types of transfers - You may access your account by telephone 24 hours a day, seven days a week, at 763.441.3380 using your personal identification number, a touch tone phone, and your account numbers, to transfer funds between checking and savings accounts and make payments from your checking or savings to loan accounts with us.

Transactions made after 7:00 PM CT will not be available until the next business day.

Please also see Limitations on frequency of transfers section regarding limitations that apply to telephone transfers.

ATM Transfers

Types of transfers, dollar limitations, and charges - You may access your account(s) by ATM using The Bank Cash Card (ATM card) and personal identification number or The Bank Cash & Check Card (check card) and personal identification number, to:

- make deposits to checking or savings account(s) with an ATM or check card at automated teller machines that we own and operate or other participating automated teller machines
- get cash withdrawals from checking or savings account(s) with an ATM or check card
 - you may withdraw no more than \$300.00 per day per cardholder
 - there is a charge per transaction for non-MoneyPass Cash machines (See Miscellaneous Fee Schedule for current fees).
- transfer funds between checking and savings accounts with an ATM card or check card
- get information about the account balance of your checking or savings accounts with an ATM card or check card

Some of these services may not be available at all terminals. An additional fee may be assessed by the ATM owner.

Please also see Limitations on frequency of transfers section regarding limitations that apply to ATM transfers.

Types of The Bank Cash & Check Card Transactions - You may access your checking account(s) using the card and/or PIN issued to you to purchase goods (in person, by phone or by computer), pay for services (in person, by phone or by computer), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

Check Card Transactions - dollar limitations - Using your check card:

- your daily point of sale limit will be determined during the application process. Please contact Customer Service.

Please also see Limitations on frequency of transfers section regarding limitations that apply to check card transactions.

Currency Conversion and Cross-Border Transaction Fees - If you effect a transaction with your The Bank Cash & Check Card in a currency other than US Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by MasterCard. The exchange rate MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase

or the date the transaction was posted to your account. MasterCard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, MasterCard charges us an Issuer Cross-Border Assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. We charge you a Cross-Border Transaction fee of 1.50% on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the MasterCard Debit Switch in which the country of the merchant is different than the country of the cardholder.

Advisory Against Illegal Use - You agree not to use your card(s) for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

World Wide Banker Computer Transfers

Types of transfers - You may access your account(s) by computer or mobile banking using your World Wide Banker personal identification number and your World Wide Banker ID, to:

- Transfer funds between checking and savings accounts and make payments from your checking or savings to loan accounts with us.
- You may make payments to third parties using the BillPay, Person to Person and Bank to Bank services.
 - refer to your BillPay, Person to Person and Bank to Bank Agreements/Terms & Conditions for applicable fees & limitations.
 - Bill Pay: Electronic payment cut-off times are 2:00 PM CST on any business day. Check payment cut-off times are 3:00 PM CST on any business day. Transactions after these stated cut-off times will be processed the next business day.
 - Bank to Bank Transfer cut-off times are 3:00 PM CST. Transactions after this time will be processed the next business day.
 - Person to Person Transfer cut-off times are 2:00 PM CST. Transactions after this time will be processed the next business day.

Transactions made using World Wide Banker after 7:00 PM CST will not be available until the next business day. Please also see Limitations on frequency of transfers section regarding limitations that apply to computer transfers.

Health Savings Accounts (HSA)

We permit some electronic fund transfers to and/or from your HSA. The Electronic fund transfers we permit are offered for the convenience of managing your HSA. However, electronically moving funds to or from your HSA - for example, depositing more than the allowable amount, or getting additional cash back on an HSA check card transaction - can raise a variety of tax concerns. As a result, before electronically accessing any account you may have with us, it is a good practice to make sure you are using the correct access device (such as a card)

or accessing the appropriate account for the transaction. Also, it is your responsibility to ensure the contributions, distributions, and other actions related to your HSA, comply with the law, including federal tax law. As always, we recommend consulting a legal or tax professional if you have any questions about managing your HSA. The terms of this disclosure are intended to work in conjunction with the HSA Agreement provided to you earlier. In the event of a conflict, the terms of the HSA Agreement control. You understand that your HSA is intended to be used for payment of qualified medical expenses. It is your responsibility to satisfy any tax liability resulting from use of your HSA for any purpose other than payment or reimbursement of qualified medical expenses. We do not monitor the purpose of any transaction to or from your HSA. Nor are we responsible for ensuring your eligibility for making contributions or ensuring withdrawals are used for payment or reimbursement of qualified medical expenses. Refer to your HSA Agreement for more information relating to the use of your HSA.

Limitations on frequency of transfers - In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- Transfers from a money market account to another account or to third parties preauthorized, automatic, telephone, or computer transfer or by check or similar order to third parties are limited to six per calendar month.

Termination -

- You may terminate the electronic fund transfer agreement by notifying us in person or in writing.
- We may terminate the electronic fund transfer agreement by written notice to you.

FEES

- We do not charge for direct deposits to any type of account.
- We do charge for preauthorized withdrawals from any type of account if other debit fees apply.
- We charge a fee to replace an ATM or check card. (See Miscellaneous Fee Schedule for current fees).
- Except as indicated elsewhere, we do not charge for these electronic fund transfers.

ATM Operator/Network Fees

When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

DOCUMENTATION

Terminal transfers. You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals. However, you may not get a receipt if the amount of the transfer is \$15 or less.

Direct deposits. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (763) 441-1000 to find out whether or not the deposit has been made.

Periodic statements. You will get a monthly account statement from us for your checking accounts. You will get a monthly account statement from us for your savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

PREAUTHORIZED PAYMENTS

Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments.

- Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.
- Please refer to our separate fee schedule for the amount we will charge you for each stop payment order you give.

Notice of varying amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

Liability for failure to make transfers. 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. 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 the transfer.
- If you have an overdraft line and the transfer would go over the credit limit.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- where it is necessary for completing transfers; or
- in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- in order to comply with government agency or court orders; or
- if you give us written permission.

PERSONAL IDENTIFICATION NUMBER (PIN).

The ATM PIN or check card PIN that has been issued to you is for your security and you are responsible for safekeeping your PIN(s). The ATM PIN or check card PIN numbers are confidential and should not be disclosed to anyone not authorized to sign on your accounts.

UNAUTHORIZED TRANSFERS

(a) Consumer liability.

Generally

Tell us at once if you believe your ATM card and/or PIN or check card and/or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using the information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account (plus your maximum overdraft line of credit). We will be liable for all unauthorized transfers unless the unauthorized transfer was due to the loss or theft of your card and/or PIN. If due to the loss or theft of your card and/or PIN, and you notify us within 60 days of when the unauthorized transfer appears on the statement you can lose no more than \$50 if someone used your card and/or PIN without permission.

If you do NOT notify us within 60 days after the unauthorized transfer appears on your statement, and we prove that we could have stopped someone from using your card and/or PIN without your permission if you had told us within 2 days of when you discover the loss or theft of your card and/or PIN, you could lose as much as \$500 for unauthorized transfers that appear on the statement.

Also, if your statement shows transfers that you did not make, including those made by card, PIN, or other means, 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 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.

Additional Limits on Liability for The Bank Cash & Check Card.

You will not be liable for any unauthorized transactions using your The Bank Cash & Check Card if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

(b) Contact in event unauthorized transfer

If you believe your ATM card and/or PIN or check card and/or PIN has been lost or stolen, call or write us at the telephone number or address listed in this brochure. You should also call the number or write to the address listed in this brochure if you believe a transfer has been made using the information from your check without your permission.

RIGHT TO BRING CIVIL ACTION

You may bring a civil action against any person violating any provision of Minnesota Statutes § 47.69 (governing consumer privacy and unauthorized withdrawals).

If you prevail in such an action, you may recover the greater of your actual damages or \$500. You may also be entitled to recover punitive damages, your court costs and reasonable attorney's fees.

TIME NEEDED TO COMPLETE TERMINAL TRANSACTIONS

- Withdrawals made at a terminal will normally be completed and charged to your account the next business day.
- Deposits made at a terminal will normally be credited to your account the next business day.
- Transfers between accounts will normally be completed the next business day.
- Payments made at a terminal will normally be completed the next business day.

POINT-OF-SALE TRANSACTIONS

Payment for goods or services made in this manner shall not affect any of the rights, protections, or liabilities in existing law concerning a cash or credit sale made by means other than through the use of a terminal. You cannot reverse a point-of-sale transaction.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this disclosure, 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 the statement or receipt. We must hear from you no later than 60 days after we sent 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 you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) for the amount you think is the 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 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three 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.

THE BANK OF ELK RIVER, 630 MAIN STREET, ELK RIVER, MINNESOTA 55330
Business Days: Monday through Friday (Excluding Federal Holidays)
Phone: 763.441.1000

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