



Internet Banking Service Agreement

THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT AND/OR APPLICABLE STATE LAW.

This Internet Banking Service Agreement, along with the implementation forms, applications, service descriptions, user guides, fee schedules, and other documents provided when you begin to use this service or request additional services (collectively, this "Agreement"), sets forth the terms which govern account access through our Alliance eBanking online banking service ("Alliance eBanking" or "Service," as it may be updated or amended from time-to-time). Any use of Alliance eBanking by you or anyone you authorize is your acknowledgment that you accept all the terms and conditions of this Agreement and that you have read it carefully. The terms and conditions of your deposit account agreement and disclosures ("the "Terms and Conditions") for each of your bank accounts, as well as your other agreements with the Bank such as those you entered into for loans and other services, continue to apply notwithstanding anything to the contrary in this Agreement. To the extent there is a conflict between the terms of this Agreement and one contained in the other agreements between you and us, this Agreement will control with respect to online banking and related services. Please also refer to our Electronic Funds Transfer Agreement for more information.

1. Definitions and Rules of Construction. The following definitions and rules of construction apply in this Agreement:

- a. "Account" means any Carolina Alliance Bank account which you access using the Service.
- b. "Password" or "PIN" are the codes you create that establish your connection to the Service.
- c. "We," "us," "our," and "Bank" refer to Carolina Alliance Bank, which offers the Service and which holds the Accounts accessed by the Service.
- d. "User ID" means the unique user name that you select when establishing the Service.
- e. "You," "your," and "Customer" refer to each Account holder.
- f. "Business day" means Monday through Friday, except bank holidays.
- g. "Time of day" references are to Eastern Standard Time or Eastern Daylight Time, as applicable.
- h. "Line of credit" means any Bank line of credit extended to you, including personal lines of credit, home equity lines of credit and overdraft protection lines of credit.

2. Consumer Protection Provisions. The consumer protection provisions of the federal Electronic Fund Transfer Act and Regulation E apply only to electronic fund transfers involving consumer deposit Accounts established primarily for personal, family or household purposes. If your Account is owned by an entity other than a natural person or was established primarily for business, commercial or agricultural purposes, then any online banking electronic fund transfer will be considered an "authorized use," and your liability for any online banking transaction relating to that Account will be unlimited, notwithstanding the provisions of the Federal Electronic Fund Transfer Act, Regulation E, or any standardized literature or disclosures in this Agreement or that we may send you.

3. Access to Alliance eBanking. In order to activate Alliance eBanking, you must have at least one Account with Carolina Alliance Bank. In addition, you must have a personal computer or internet-enabled mobile device, operating system, an internet browser, and access to the internet. We may update these

hardware or software requirements at any time in our discretion. You are solely responsible for obtaining, installing, maintaining, and operating all equipment, software and internet service provider used for Alliance eBanking. Carolina Alliance Bank will not be held responsible for any error or failure caused by the malfunction of your computer or other internet-enabled device or any incompatibility with the Service. You also are responsible for any and all fees relating to communications carriers (e.g., telephone, cable, DSL or satellite), software providers (other than software that we may provide you) and/or internet service fees that may be assessed by your communications carrier and/or internet service provider.

4. User ID and Password. In addition to the hardware and software requirements above and having an Account with us, in order to use Alliance eBanking you must have a User ID and Password. The first time you log into Alliance eBanking, you will be required to change the assigned Password and choose a Password known only to you containing a combination of alpha and numeric characters. The Password must be at least six characters and no more than 16 characters. You may change your Password through Alliance eBanking at any time, and we recommend that you change your Password regularly and memorize it. Once you have changed your Password, we will not be able to tell you what it is. Because your User ID and Password are the principal security measures to protect access to your Accounts, you agree to keep all User ID and Password information confidential and to take all reasonable precautions to protect the secrecy of this information. You understand and acknowledge that no person from the Bank will ever ask for your Password. You therefore agree never to provide your Password to anyone claiming to represent us. If you give your User ID or Password or make it available to another person, you authorize that person to access your Accounts through Alliance eBanking and to give the Bank instructions relating to your Accounts as an authorized user. You also authorize us to comply with those instructions even if that person exceeds your authorization or if that person is not a signatory on the Account signature card. The Bank has no responsibility for establishing the identity of any person who uses your Password. You agree that you are liable for any transaction received by the Bank that includes your Password.

Except to the extent prohibited by applicable law or regulation, you will be deemed to have expressly authorized any Alliance eBanking transaction facilitated through the Service:

- a. initiated by you, at your direction, with your User ID and Password, or with your consent (whether expressed or implied),
- b. initiated by an agent with respect to any Account which you may access through Alliance eBanking,
- c. initiated by a member of your household, whether or not related to you,
- d. initiated by any person (or that person's agent) who is the owner or co-owner of any Account which you may access through Alliance eBanking,
- e. which results in the transfer of funds between Accounts you may access through Alliance eBanking, even if subsequent transfers out of the Accounts benefit someone else,
- f. which is to or for your benefit (for example, the payment of a debt for which you are partially or fully liable), or
- g. which you contend is unauthorized, unless you cooperate fully with us in our investigation of the transaction, assign to us your right of recovery against the wrongdoer if we reconstitute your Account, and cooperate fully with us in the recovery of any loss we sustain and the prosecution of any wrongdoer.

Any person initiating the foregoing transactions will be deemed an authorized user except to the extent prohibited by applicable law or regulation.

5. Transfers You May Make Using Alliance eBanking. Subject to any other applicable agreements, you can make the following transfer using Alliance eBanking:

- a. **Transfers Between Deposit Accounts** – You can transfer funds between your deposit Accounts with us (i.e., checking or savings Accounts).
- b. **Transfers Between Your Deposit Accounts and a Loan Account** – You can transfer funds from a deposit Account to a loan Account to make loan payments and to make principal payments on lines of credit. You may also transfer funds to a deposit Account from available credit on your lines of credit.
- c. **Bill Payments** – If you sign up for the Bill Payment Service, you may pay bills directly from your deposit Accounts in the amounts and on the days you request. The Bill Payment Service is provided by a third party that is not affiliated with us. See below for more information regarding the Bill Payment Service.
- d. **Person-to-Person Payment Service** – For consumer deposit Accounts, if you enroll in the person-to-person payment service offered through Popmoney (or such other service provider as the Bank may select from time-to-time), you may initiate a payment to a party maintaining a deposit account at an institution within the United States or you may receive a payment from a third party within the United States.

We may introduce additional Alliance eBanking services from time to time and will notify you as new services become available. By using new Alliance eBanking services when they become available, you agree to be bound by this Agreement, any amendments to this Agreement regarding the new services, and additional rules and product schedules regarding the new services.

6. Fees and Charges for Alliance eBanking. There are no monthly fees for viewing Accounts or transferring funds between Accounts. We will notify you 30 days prior to implementation of any changes to the fees and charges, either by written notice or via e-mail. Changes to fees applicable to specific Accounts are governed by the applicable Account disclosure.

7. Accounts You May Access; Account Information. You may access any eligible Account on which you are authorized to receive transaction history and balance information. The balance and Account history will show the current balance of the Account. The current balance is the balance less any holds and includes certain debits and credits which have taken place since the close of the previous banking day, for example, ATM deposits and withdrawals, cash deposits, wire transfers and other online activity. Returns in process due to non-sufficient funds or stop payments may not be reflected in the inquiry.

8. Hours of Access; Processing Times. Alliance eBanking is available 24 hours a day, seven days a week, except during regularly scheduled or special maintenance periods. We will make every effort to advise you when the service may be down for an extended period. If the system is unavailable, you may use the automated telephone voice response system at 800-373-0391 to conduct your transactions.

For transaction processing purposes, all requests received after 5:00 p.m. on business days will be processed on the next business day, unless otherwise stated or elected by the Bank. Transfers between Carolina Alliance Accounts process immediately once the transaction is confirmed.

9. Limitations on Transactions. For savings and money market Accounts, applicable federal regulations impose certain limits to pre-authorized, automatic, and telephone transfers (including online transfers) to six per statement cycle. Loan payments to us are not included in these limits. For security reasons, we may impose additional limits on the frequency, number, and dollar amounts of transactions you can perform using Alliance eBanking. In addition, we reserve the right to refuse to pay any person or entity to which you may direct a payment through Alliance eBanking. We will notify you promptly if we decide to refuse to pay a person or entity designated by you; however, this notification is not required if you direct us to make any payment which is otherwise prohibited under your agreements with us.

10. Electronic Bill Payment. Through Alliance eBanking, you can access a bill payment service offered by a third party (the "Bill Payment Service") that will allow you to electronically pay third parties. Bill payments you schedule with the Bill Payment Service will be debited to your deposit Account in accordance with the instructions to the Bill Payment Service. You will need to enter a separate agreement with the Bill Payment Service if you want to use its payment services. That agreement will govern your relationship with the Bill Payment Service and addresses, among other things, applicable charges and fees imposed by the Bill Payment Service, permissible types of payments and limitations, liability for unauthorized transfers through the Bill Payment Service, dispute resolution, termination rights and contact information with respect to the Bill Payment Service. The fees and charges imposed by the Bill Payment Service, as well as other expenses you may incur, will be charged against your deposit Account. You hereby authorize the Bill Payment Service to cause these fees and charges to be debited to your deposit Account when you sign up for the services. In addition, any Bank fees associated with your Accounts will continue to apply, and you also authorize the Bank to debit your deposit Account for any ancillary charges that the Bank incurs on your behalf, including any fees charged by the Bill Payment Service to the Bank with respect to any of your transactions. Any item that you authorize for payment through the Bill Payment Service that is returned for insufficient funds in your deposit Account may be subject to a fee by the Bill Payment Service in addition to our returned item NSF/overdraft fee.

The Bank is not affiliated with the Bill Payment Service, does not itself provide bill payment services, and does not establish the terms of your agreement with the Bill Payment Service. **CAROLINA ALLIANCE BANK DOES NOT MAKE ANY WARRANTY OR REPRESENTATION REGARDING THE BILL PAYMENT SERVICE AND DISCLAIMS ALL WARRANTIES OF ANY KIND AS TO THE USE OF THE BILL PAYMENT SERVICE, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.**

11. Security; Reliance on Your Instructions. You understand the importance of your role in preventing misuse of your Accounts through Alliance eBanking. You agree to promptly examine your periodic paper and/or electronic statement for each of your Accounts as soon as you receive it. You agree to protect the confidentiality of your Account and Account number, your User ID and Password, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself or together with information related to your Account may allow unauthorized access to your Account. Your User ID and Password are intended to help secure against unauthorized entry and access to your Accounts. As part of our security procedures, we will also provide multi-factor authentication. You agree to comply with these "Security Procedures" and any other Security Procedures we direct you to use. Further, you acknowledge and agree that the Security Procedures described in this Agreement and any other disclosures we provide you, including without limitation any code, password, personal identification number, user identification technology, token, certificate, layered security, or other element, means, or method of authentication or identification used in connection with a Security Procedure, constitute commercially reasonable security procedures under applicable law for the initiation of the Service you utilize. You also agree that we may rely upon any instructions we receive upon authentication using these agreed upon Security Procedures. You are responsible and liable for those transactions to the extent allowed by law and as provided in this Agreement and all of our other agreements with you. All such instructions will be considered as having been given to us directly by you and shall have the same authority as your written signature in authorizing us to comply with the instructions.

Notwithstanding our efforts to insure that the System is secure, you acknowledge that the internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers

utilizing the Alliance eBanking System, or e-mail transmitted to and from us, will not be monitored and read by others.

12. Virus and Other Protection. You are responsible for taking and maintaining security precautions to protect your computer, data, and systems. You agree that we are not responsible for any electronic virus, spyware, or malware that you may encounter using the Alliance eBanking product. We encourage you to routinely scan your PC, devices, and diskettes using an up-to-date, reliable virus, spyware, and malware protection product to detect and remove any virus, spyware, and malware found. Undetected or unrepaired, a virus, spyware, or malware may corrupt and destroy your programs, files and even your hardware. You are responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing and backing up any data and information stored in or on your operating systems. We are not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your operating systems or accessed through an internet connection.

13. Unauthorized Transactions. Tell us AT ONCE if you believe that your User ID or Password has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission. Call us at (864) 208-BANK (2265) or write us at Carolina Alliance Bank, PO Box 932, Spartanburg, SC 29304. Telephoning is the best way of keeping your losses down. You could lose all of the money in your Account (plus your maximum line of credit linked to your Account).

If you notify us within two (2) business days after learning of the loss or theft of your Password or User ID, you can lose no more than \$50 if someone used your Password or User ID without your permission.

If you do NOT notify us within two (2) business days after learning of the loss or theft of your Password or User ID, and we can prove we could have stopped someone from using your Password or User ID without your permission had you told us, you could lose as much as \$500.

If your monthly statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed or e-mailed to you, you may not get back any money you lost after the sixty (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 may extend the time periods.

14. How to Contact Us in Case of Errors and Questions. Telephone or write us as soon as you can if you think your statement is wrong or if you need more information about an electronic transfer listed on the statement. Call us at (864) 208-BANK (2265), visit us in person at your local branch, or write us at Carolina Alliance Bank, PO Box 932, Spartanburg, SC 29304.

We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared. When you contact us:

- a. Tell us your name and Account number,
- b. 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, and
- c. 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 ten (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 10 business days for the amount you think is in error, so that you will have 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.

For errors involving new Accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Accounts, we may take up to 20 business 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 there was no error, we will send you a written explanation. You may request copies of the documents that we used in our investigation.

15. Our Liability for Failure to Make Transfers. If you have a consumer Account and 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 and damages. However, there are some exceptions. We will not be liable, if, for instance:

- a. Through no fault of ours, you do not have enough money in your Account to make the transfer.
- b. The transaction will exceed the available credit limit on any applicable linked line of credit.
- c. Your Bill Payment Service is not working properly.
- d. The person or entity to which you direct payment mishandles, delays, or fails or refuses to accept a payment sent by us.
- e. You have provided us with incorrect, incomplete or inaccurate data or other Account information, including but not limited to date related errors, or you have otherwise failed to comply with the payment or transfer instruction requirements set forth in this Agreement.
- f. There are technical problems in our receipt of information or instructions from you (for example, problems arise with computers, software, modems, or telephone communications, including but not limited to date related problems).
- g. Circumstances beyond our control (such as, but not limited to, fire, flood, interference from an outside force, strikes, lockouts, acts of governmental authorities, delays of couriers or supplies, communications equipment failures, or equipment malfunction occurring despite ordinary maintenance), including but not limited to date related problems, prevent the proper execution of the transaction, despite reasonable precautions we have taken.
- h. This Agreement or your transfer authorization has been terminated,
- i. Your Account has been closed, there is a hold on funds in your Account, or access to your Account is blocked in accordance with our policies.
- j. Your funds are subject to legal process or encumbrances restricting transfer.
- k. Applicable law prevents completion of the transaction.
- l. Unusual or extraordinary circumstances exist which indicate improper or unlawful use of your Account.
- m. You believe someone has accessed your Account without your permission and you fail to notify us immediately. (Refer to the section above "Unauthorized Transactions")
- n. If the terminal or system is not working properly and you knew about it when you started the transfer.
- o. There may be other exceptions in our other agreements with you.

16. Limitations on Our Liability.

- a. IN NO EVENT WILL THE BANK OR ANY OF ITS OFFICERS, DIRECTORS, SHAREHOLDERS, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, LICENSORS, OR THIRD PARTY SERVICE PROVIDERS BE LIABLE FOR ANY CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION, LOSS OF DATA, FILES, PROFIT OR GOODWILL OR THE COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICE), INDIRECT, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, WHETHER IN AN ACTION UNDER CONTRACT, NEGLIGENCE OR ANY OTHER THEORY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, ALLIANCE eBANKING, THE INABILITY TO USE ALLIANCE eBANKING, ANY MERCHANDISE OR SERVICES PURCHASED OR OBTAINED USING ALLIANCE eBANKING, OR ANY MESSAGES RECEIVED VIA ALLIANCE eBANKING OR ANY TRANSACTIONS THEREUNDER, EVEN IF THE BANK HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE AGGREGATE LIABILITY OF THE BANK AND OUR THIRD PARTY SERVICE PROVIDERS UNDER THIS AGREEMENT SHALL NOT EXCEED ONE THOUSAND DOLLARS, EXCEPT AS OTHERWISE PROVIDED BY APPLICABLE FEDERAL LAW.

- b. **No Liability for Certain Failures.** The Bank will not be responsible for failure to provide access to Alliance eBanking due to a system failure or due to other unforeseen acts or circumstances. We will not be responsible for any error or failures from a malfunction of your computer or any computer virus or other problems related to your computer equipment used with Alliance eBanking. The Bank is not responsible for any error, damages or other losses you may suffer due to the malfunction or misapplication of any system you use, including your browser (Microsoft Internet Explorer®, Netscape Navigator®, or otherwise), your internet service provider, your personal financial management or other software (such as Quicken®, or Microsoft Money®), or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with Carolina Alliance Bank.

17. DISCLAIMER OF WARRANTIES. We may on a regular basis perform maintenance on our equipment or system, which may result in interrupted service or errors in Alliance eBanking. We also may need to change the scope of our Alliance eBanking services from time to time. We will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will be provided. We make no representation that Alliance eBanking services will be uninterrupted or error free. Our sole obligation to you arising out of the non-availability of Alliance eBanking or an interruption or delay in providing Alliance eBanking shall be to use commercially reasonable efforts to resume such services. The foregoing shall constitute our entire liability and your exclusive remedy. In no event shall the Bank or any of our respective officers, directors, employees, agents or subcontractors be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits (even if we are advised of the possibility thereof) arising in any way out of the installation, use, or maintenance of any computer equipment or the Alliance eBanking service. However, nothing in this section is intended to limit any rights you may have under Federal law or otherwise provided in this Agreement.

WE MAKE NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH THE SYSTEM PROVIDED TO YOU UNDER THIS AGREEMENT. WE DO NOT AND CANNOT WARRANT THAT THE SYSTEM WILL OPERATE WITHOUT ERRORS, OR THAT ANY OR ALL SERVICES WILL BE AVAILABLE AND OPERATIONAL AT ALL TIMES.

18. Overdrafts. If your use of Alliance eBanking overdraws your Account and the overdraft is not covered by an approved line of credit relating to the overdrawn Account, you agree to make immediate payment to us of the amount of any such overdraft, together with all related service charges.

19. Preauthorized Payments.

- a. **Right to Stop Electronic Payments and How to Do So.** If you have told us in advance to make regular payments out of a deposit Account, you can stop these payments. Here's how: Call us or write us at Carolina Alliance Bank, PO Box 932, Spartanburg, SC 29304 in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we require to you put your request in writing and get it to us within 14 days after you call, or visit a local branch. We do not charge a fee to stop recurring electronic payments initiated through Alliance eBanking.

This does not apply to regular scheduled payments that you have set up with another company to draft out of your Account. You must contact the company who is drafting your Account to stop those types of payments

- b. **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.
- c. **Liability for Failure to Stop Payment of Preauthorized Transfer.** If we receive a signed confirmation from you to stop one of these electronic payments from a consumer Account three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

20. Confidentiality. We will disclose information to third parties about your Account or the transfers you make: where it is necessary for completing the transfer; 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 as explained in the separate Privacy Disclosure.

21. Electronic Disclosures; E-mail. Unless otherwise required by applicable law or pursuant to your written request, in the event that we are required to provide a notice or other communication to you in writing, that notice or other communication may be sent to you electronically to your e-mail address as reflected in our then current records. You agree that we may send notices and information about our products or services to you electronically, to the extent allowed by law. Any notice we give you concerning Alliance eBanking and/or your Accounts is effective when we send you an electronic message or when we mail or deliver the notice to you at the address we have for you in our Account records. Any notice we send you will be deemed to have been received by you three (3) calendar days of the date it was sent, regardless of whether or not you sign on to the Service within that time frame. It is your responsibility to inform Carolina Alliance Bank of a change in your e-mail address, and the Bank will have no liability for the non-receipt of an e-mail notification that is returned due to an invalid address. You acknowledge that e-mail may not be a secure method of communication and agree that you will not send us confidential, personal or financial information by e-mail. You agree that the Bank will have a reasonable amount of time to act on any e-mail message from you. You also should not rely on e-mail if you need to communicate with the Bank immediately (for example, to report an unauthorized transaction from one of your Accounts or to stop a payment that is scheduled to occur). In these cases, please call us at (864) 208-BANK (2265).

22. Deposit Account Terms and Conditions and Other Disclosures. In addition to this Agreement, you agree to be bound by and comply with the Terms and Conditions governing your Account and related disclosures that we have provided to you, the rules and regulations of the electronic transfer system, and all state and federal laws and regulations, including the Regulation E disclosure that you received when you opened your Account. You acknowledge and agree that all transactions and services pursuant to this Agreement are subject to the Terms and Conditions and other disclosures we provide to you, which are incorporated herein by reference.

23. Person-to-Person Payments Service. We offer a person-to-person payments service (“PPPS”) using Popmoney (or such other service provider as we select to offer the service in our sole discretion) through which you may send payments to, or receive payments from, any person who maintains an eligible account with a financial institution. In order to use the PPPS, you must first enroll in the service using the Alliance eBanking website. Your use of the Popmoney service is governed by the Terms of Use for Popmoney Personal Payments Service (or such other service provider selected by us) (the “Terms of Use”), which are available via the Alliance eBanking website at the time you enroll and are incorporated by reference herein. In addition, if you enroll in the PPPS, you agree to be bound by the on-screen instructions and enrollment materials provided in connection with the service. The maximum amount of payments you initiate and receive using the PPPS is limited and, upon enrollment for the service, you may use the PPPS application on the Alliance eBanking website to view your transaction limits. We may, in our sole discretion, change the limits on the amount of money you can send or receive via the PPPS. Upon your enrollment in the PPPS, we will charge you a fee for each payment as disclosed in the application, and you agree to pay this fee and all other charges applicable to the service. For additional information regarding the PPPS, including without limitation provisions governing use of the service for sending and receiving payments, procedures for the cancellation of payments, and limitations on the service, please refer to the Terms of Use.

24. Modifications to this Agreement. Carolina Alliance Bank may modify this Agreement or any Alliance eBanking services at any time. We will notify you of any changes by mail to the address shown on our Account records, or by sending you an electronic mail message. The revised terms and conditions will be effective at the earliest date allowed by applicable law. Your use of Alliance eBanking after a change in terms constitutes your agreement to the change. We are not required to give you prior notice where an immediate change is necessary to maintain or restore the security of our system.

25. Termination. Carolina Alliance Bank reserves the right to terminate this Agreement and your access to Alliance eBanking at any time without notice and with or without cause. If we terminate your access due to insufficient funds in one or more of your Accounts, service may be reinstated at the discretion of the Bank provided that funds are available to cover the cost of any fees and/or pending transfers. Further, if you do not access your Accounts via Alliance eBanking for any three-month period, we may terminate your access to Alliance eBanking. To request reinstatement of your service, contact us at (864) 208-BANK (2265) or via e-mail at ebanking@carolinaalliancebank.com.

If you wish to cancel Alliance eBanking, please contact Carolina Alliance Bank at (864) 208-BANK (2265), e-mail us at ebanking@carolinaalliancebank.com or send us cancellation instructions in writing to Carolina Alliance Bank, PO Box 932, Spartanburg, SC 29304 Attn: Operations. Your access to the Alliance eBanking will be suspended after we have received your instructions to cancel the service and had a reasonable opportunity to act, which shall be no less than 3 business days. Once we have acted upon your termination notice, we will make no further transfers from your Accounts, including any transfers you have previously authorized. You will remain responsible for all payments, transfers and other transactions in process, and outstanding fees and charges incurred prior to the date of cancellation.

IMPORTANT: When Alliance eBanking is terminated, any prescheduled bill payments made through a Bill Payment Service will be automatically terminated. Applicable fees and charges will be assessed for any bill payments processed by your Bill Payment Service drawn upon your Account.

26. Indemnification. Except to the extent that we are liable under the terms of this Agreement or applicable federal law, you agree to indemnify and hold us, our affiliates, officers, directors, employees, consultants, agents, service providers, and licensors harmless from any and all claims, liability, damages and/or costs (including but not limited to reasonable attorney's fees) arising from (a) the performance of Alliance eBanking or the Bill Payment Service; (b) a third party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us; (c) any fraud, manipulation, or breach of this Agreement by you; (d) any third party claim, action, or allegation brought against us arising out of or relating to a dispute with you over an Account or Alliance eBanking; (e) your violation of any law or any rights of a third party; or (f) your use of Alliance eBanking, or the provision of Alliance eBanking or use of your Account by any third party. We reserve the right, at our own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you, in which event you will cooperate with us in asserting any available defenses. You will not settle any action or claims on our behalf without our prior written consent.

27. Joint and Several Liability. If any one or more of your deposit Accounts has co-owners, each co-owner will be jointly and severally liable for any obligation which arises from the use of Alliance eBanking to access the Account. This joint and several liability shall extend as well to any line of credit accessed through any such Account. If any of your loans or line of credit Accounts is linked to Alliance eBanking, each obligor on the loan or line of credit will be jointly and severally liable for any obligation, funds advance, or transaction which arises from the use of Alliance eBanking to access the Account.

28. Arbitration and Waiver of Jury Trial.

- a. **Arbitration.** Any controversy or claim arising out of or relating to this Agreement, any breach thereof, or Alliance eBanking services shall be decided by binding arbitration administered by the American Arbitration Association (“AAA”) and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The Bank shall, however, have the right to collect through a court proceeding any amount that may become due and owing for services provided under this Agreement including but not limited to late fees, court costs and attorneys’ fees. Each party shall bear its own costs, fees and expenses incurred in connection with this arbitration proceeding, including attorneys’ fees and expenses and witness costs and expenses, except as provided below. The arbitrator(s) shall apportion the fees, expenses and compensation of the American Arbitration Association and the arbitrator(s) between the parties in such amount as the arbitrator(s) determine is appropriate. Arbitration shall take place in Spartanburg, South Carolina, unless the parties mutually agree to another location. Notwithstanding the foregoing, a party may, without waiving any remedy under this Agreement, seek from any court with jurisdiction, interim or provisional equitable relief necessary to protect such party’s rights or property. Any civil action seeking injunctive relief, challenging an arbitration proceeding or award or otherwise related to this Agreement will be instituted and maintained exclusively in the federal or state courts of South Carolina.
- b. **WAIVER OF RIGHT TO JURY TRIAL.** YOU AND BANK EACH HEREBY WAIVE ANY AND ALL RIGHTS IT MAY HAVE TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTES, LITIGATION, PROCEEDING OR

COUNTERCLAIM ARISING WITH RESPECT TO RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT, THE ALLIANCE eBANKING SYSTEM AND SERVICES PROVIDED UNDER THIS AGREEMENT, AND ANY DISCUSSIONS, NEGOTIATIONS OR COMMUNICATIONS INVOLVING OR RELATED TO THIS AGREEMENT OR THE ALLIANCE eBANKING SYSTEM.

29. Miscellaneous.

- a. Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the state in which we open your Account, without regard to its conflicts of laws provisions, and applicable federal law, except to the extent this Agreement can and does vary such laws.
- b. Attorneys' Fees and Costs. You agree to pay all attorneys' fees, costs and expenses that we may incur in collecting any sums you owe for overdrafts, service charges, or otherwise or in enforcing any rights we may have under this Agreement or applicable law.
- c. Entire Agreement. This Agreement, the Terms and Conditions, and all other disclosures and agreements referenced herein, constitute the entire agreement between you and us with respect to the subject matter hereof and supersede any prior agreements between you and us with respect to the subject matter hereof.
- d. Assignment; Binding Effect; No Third Party Beneficiaries. You may not assign this Agreement to any other person or entity. We may assign this Agreement to any company with which we are directly or indirectly affiliated. We may also assign or delegate certain of our rights or responsibilities under this Agreement to independent contractors or other third parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Bank or the Customer hereunder.
- e. No Waiver. We will not be deemed to have waived any of our rights or remedies under this Agreement unless we deliver to you a written waiver signed by us. No delay or omission on our part in exercising any of our rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies we may have. A waiver on one occasion will not be construed as a bar or waiver of any rights or remedies on future occasions.
- f. Severability. If any provision of this Agreement is held to be invalid or otherwise unenforceable, the remainder of the provisions shall continue in full force and effect and shall in no way be invalidated or otherwise affected.
- g. Captions. The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions for this Agreement.
- h. Ownership of Materials. The content and information on our Website is copyrighted by Carolina Alliance Bank and the unauthorized reproduction or distribution of any portions is prohibited.

- i. Survival. The provisions of this Agreement, which by their nature survive expiration or termination of this Agreement, shall survive, including without limitation, Sections 2, 4, 10, 11, 12, 13, 15, 16, 17, 18, 20, 25, 26, 27, 28, and 29.
- j. Address and Business Hours. The address of our main office and our hours of operation are listed below.

CAROLINA ALLIANCE BANK
200 SOUTH CHURCH STREET
SPARTANBURG, SC 29306
(864)208-2265

BUSINESS DAYS: Monday through Friday, excluding holidays

Lobby and Drive-Thru Hours
Monday – Thursday 8:30 am – 5:00 pm
Friday 8:30 am – 5:30 pm