

ONLINE BANKING AGREEMENT AND DISCLOSURE – BUSINESS

PLEASE PRINT AND SAVE

1. INTRODUCTION

This Online Banking Agreement and Disclosure – Business (“Agreement”) explains your rights and responsibilities when enrolling in and using American Savings Bank’s online and mobile banking service (“Online Banking”).

Please read this Agreement carefully:

If you have a printer, you should print a copy of this Agreement for your future reference. If you do not have a printer, you may obtain a copy by contacting us at the telephone numbers or address in Section 2.

Other agreements you have entered into with us, including the Business Deposit Account Terms and Conditions (including the Business Deposit Account Rules and Business Deposit Account Disclosures and Fees) loan agreements, and other agreements and disclosures governing your ASB account(s), are incorporated by reference and made a part of this Agreement. If there is a conflict between any of these documents, this Agreement shall take precedence regarding Online Banking services and transactions for Business.

From time to time, we may add services, change the terms and provisions of this Agreement and the Online Banking services, including but not limited to, the amount of the fees described in this Agreement, by e-mailing a notice to you and/or posting the change on Online Banking. Your continued use of the services indicates your acceptance of changes to the terms of this Agreement.

We reserve the right, in our sole discretion, to block accounts or your access to Online Banking, refuse enrollment, or terminate your use of Online Banking services for any reason at any time. In addition, your Online Banking access may be cancelled if it is not used for 90 or more consecutive calendar days. You may have to enroll in Online Banking again to use the service. If there are any scheduled transfers or payments, we will not cancel your Online Banking service until such transfers or payments are completed.

2. HOW TO REACH US

To contact us, please call the Customer Banking Center at (808) 627-6900 or toll free at (800) 272-2566. If you require the use of a telephone for the hearing impaired (TDD), dial (808) 627-6770 or toll free at (800) 871-4357. Or write us at American Savings Bank, P.O. Box 2300, Honolulu, HI 96804-2300. Or send us a secured message via Online Banking. For Commercial and Corporate Banking clients, please call Cash Management Services at (808) 539-7894 or 1-800-272-2566, ext. 7894 during regular business hours.

If you believe that your access has been compromised (i.e., your login and/or password has been lost or stolen, or someone has electronically transferred or may

electronically transfer money from your account without your permission), you must tell us immediately by telephone or in writing using the contact information in this section. You can also contact us if you have any questions about the services.

3. ELECTRONIC DISCLOSURES

By completing your enrollment in Online Banking, you demonstrate your ability to receive documents electronically from us and agree to and accept the terms of this Agreement. Documents that you agree to receive electronically include, but are not limited to: disclosures required by federal law (such as periodic statements, notices of change, account disclosures), and notices about your ASB deposit and loan accounts, and the Online Banking services.

If you do not agree to the terms and conditions of this Agreement, are unable to view Online Banking or receive documents electronically, including e-statements, from your computer or personal Device, or you decide that you do not want these electronic services, do not complete the enrollment process. If you are already enrolled, you may stop the Online Banking service by contacting us at the telephone numbers or address in Section 2.

How to Get Documents on Paper. You may obtain a paper copy of any of the records we provide electronically by printing them directly from the electronic document we send you or by contacting us at the telephone numbers or address in Section 2. We may charge you a fee for providing you with copies of account statements, as disclosed in the separate Business Deposit Account Terms and Conditions or Business Deposit Account Terms and Conditions we provided to you for your account.

System and Hardware Requirements for Computers and for Accessing Electronic Documents. To access Online Banking and receive electronic documents, you will need a computer, Internet service provider, browser and the ability to download or print PDF documents. Minimum hardware requirements include: A personal computer equipped with at least: a 1-GHz processor; 1 GB of memory (RAM); and a screen display with at least 1300-pixel width. Minimum software requirements include: Windows Vista Service Pack (SP)2, Microsoft Windows 7/8/10; Mac® Users – Mac OS X and later. Minimum Internet service provider requirements include: Cable, Digital Subscriber Line (DSL), or Integrated Services for Digital Network (ISDN) Internet connection. (Dial-up connections are not supported.) Note: Satellite connections often have difficulty supporting encrypted, Hypertext Transfer Protocol Secure (HTTPS) applications and may exhibit slow responses. Minimum browser requirements include: Google Chrome™ 37 and later, Microsoft Internet Explorer 10 and later, Microsoft Internet Explorer 11 and later, Mozilla® Firefox® 33 and later; Mac Users – Safari® 9 on Mac OS X 10.8 and later. JavaScript is required. Cookies are required. Online Banking services are only accessible via the browsers listed above. Browsers must support Secure Sockets Layer technology and 128-bit encryption. Note: Microsoft stopped supporting Windows XP and XP compatible Internet Explorer (IE) in April 2014, including

security updates. XP users who do not upgrade their operating systems should replace IE with Google Chrome™ for an up-to-date, secure Internet browser. See Section 6 for Online Banking Mobile banking system requirements.

4. DEFINITIONS

To make this Agreement easier to read, we've provided explanations for the following words and phrases:

- **“App”** is the downloaded software available for selected Devices to be used to access Online Banking through our Mobile Banking Service.
- **“Business Days”** are Monday through Friday, except U.S. federal holidays.
- **“Consumer”** is an individual who maintains account(s) and uses the services for personal, family and household purposes.
- **“Electronic Fund Transfers”** are transfers, payments and deposits made by use of a computer or Device through the services that affect your ASB savings and/or checking account.
- **“Mobile Banking Services”** are a subset of Online Banking services that may be accessed from your Device through an internet browser or the App.
- **“Mobile Deposit Service”** allows you to make deposits to your accounts using your Device by capturing images of checks and delivering the images and associated deposit information to us.
- **“Sole Proprietor”** is an individual, who owns and operates a business under his or her name or a trade name, and not as a partnership, Limited Liability Company or other business entity, and reports income from the business for federal and state income tax purposes on his or her individual tax return under his or her social security number.
- **“We”, “Us”, “Our” and “ASB”** refer to American Savings Bank.
- **“You”, “Your”** refer to everyone who owns or is authorized to transact on an

See Section 6 for Online Banking Mobile banking system requirements.

5. ONLINE BANKING

A. FEATURES. You may use a computer or Device to enroll and access Online Banking to do some or all of the following:

- View your checking, savings, loan, and Certificate of Deposit (CD) and account balances
- View recent account activity
- Review and print transaction registers and statements for your deposit accounts
- Confirm deposits and withdrawals posted to your deposit accounts
- Transfer funds between your eligible ASB accounts now or in the future (transfers to loans will be treated as payments)
- Make payments from your checking and savings accounts to certain loan accounts
- Make check deposits to your checking or savings accounts using the camera on your mobile phone and/or tablet using the App

- Obtain advances from your eligible line of credit accounts and deposit them into your checking or savings accounts
- Download the transaction history for your accounts
- Receive alerts
- Order checks
- Ask us questions about Online Banking using our secured Message Center
- Request a stop payment for a check you wrote on your checking account
- View your account statements online
- If you enroll in the Bill Pay Service you may schedule and make bill payments from your checking account(s) to us and your payees. Please see the fee schedule for fees that apply
- Locate ASB branches and ATMs using the GPS functionality of your smartphone and/or tablet

In addition, you may also perform any additional procedures and access any additional services added to Online Banking in the future.

B. ACKNOWLEDGEMENT OF COMMERCIALLY REASONABLE

SECURITY PROCEDURES. By using the Online Banking service you acknowledge and agree that this Agreement sets forth security procedures for electronic banking transactions which are commercially reasonable. You agree to be bound by instructions, whether authorized or unauthorized, which we implement in compliance with these procedures, unless you have given us prior notice of possible unauthorized use as described above (and we had a reasonable opportunity to act on such notice).

- C. PASSWORD AND SECURITY.** You agree not to give or make available your password or other means to access Online Banking to anyone. You are responsible for all payments and transfers you authorize using Online Banking. If you permit other persons to use Online Banking or your password or other means to access your account, you are responsible for any transactions they authorize.

If you believe that your password or other means to access your account has been lost or stolen or that someone may attempt to use your Online Banking without your consent or has transferred money without your permission, you must notify us at once by contacting us at the telephone numbers or address listed in Section 2.

- D. E-MAIL.** You may send your non-account related questions about Online Banking to us at the e-mail address displayed on asbhawaii.com or by using our secured Message Center in Online Banking. E-mail is generated and received using the software on your computer, and is not automatically encrypted or secured by us. E-mail should not be used (i) if you have

questions about your Electronic Fund Transfers or account(s), (ii) to initiate an Electronic Fund Transfer, (iii) if you discover an account error, or (iv) if you discover an unauthorized transaction. In those situations, contact us at the address or telephone numbers listed in Section 2.

IT IS VERY IMPORTANT THAT YOU KEEP YOUR E-MAIL ADDRESS UP-TO-DATE, BECAUSE E-MAIL IS THE PRIMARY NOTIFICATION METHOD USED FOR ONLINE BANKING. You acknowledge and agree that any notification sent to your e-mail address on file with us constitutes delivery of such notification regardless of whether you actually receive it or not.

Please note: Although ASB uses e-mail to send customer notices about enhancements and other important information, we will never send an e-mail asking you to confirm personal information, such as passwords, account numbers, PINs or social security numbers. If at any time you receive an e-mail that you feel is questionable, please contact us at the telephone numbers or address in Section 2.

- E. DELIVERY OF NEW DOCUMENTS.** It is your responsibility to periodically log-on to Online Banking and check the Messages tab for the delivery of new documents. You should open and read your documents. Promptly notify ASB if any documents are not accessible or are incomplete or unreadable. You represent that you have the equipment to receive documents online.
- F. Online Banking NOT AVAILABLE FOR SECURITIES TRADING.** You may not transfer funds from your deposit and loan accounts to your investment accounts maintained at Cetera Financial Services, or use Online Banking to liquidate securities and/or mutual fund shares held in those investment accounts and transfer the proceeds to your deposit and loan accounts.
- G. Online Banking 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 Online Banking or the use of Online Banking. This specifically includes such losses arising in any way out of the installation, use or maintenance of software on your computer or Device; the hardware; the availability or quality of your phone or internet connection to Online Banking; interception of data between your computer or Device and Online Banking; or otherwise caused by any software, hardware or telecommunications service providers or their agents or subcontractors. We are not responsible for any home banking, personal financial management software, account aggregation services, or other products or services which you use with Online Banking

data unless we provide them to you. We also are not responsible for any damage to your computer or Device, software, modem, phone or other property resulting from your installation, use or maintenance of hardware or software, or from viruses, worms, trojan horses, malware, spyware, or other harmful components that may enter your computer from your connection to the Internet.

6. Online Banking ADMINISTRATOR AND SUB USER(S). YOUR ONLINE BANKING SERVICE REQUIRES THE ASSIGNMENT OF A SYSTEM

ADMINISTRATOR. The System Administrator is solely responsible for setting up, managing, maintaining and monitoring sub-accounts and sub-users. You understand that any person who obtains the user names and passwords can access linked accounts. The business assumes all risks and liabilities associated with the disclosure of its user names and passwords to any of its employees or other third parties.

7. Online Banking MOBILE BANKING

A. SYSTEM REQUIREMENTS. Minimum operating system requirements include: iOS 8 and later for Apple Devices, and 4.0.3 and later for Android™ Devices. Minimum camera resolution compatibility: 5 megapixels. You are responsible for obtaining and maintaining an Internet service as well as the Device, operating system, and software necessary to ensure proper access to Mobile Banking Services. Mobile Banking Services are only accessible via the browsers listed in the System and Hardware Requirements Section

B. YOUR WIRELESS CARRIER/TEXT MESSAGING CHARGES. Charges may be assessed by your wireless carrier for text messages sent to or received from ASB. You are responsible for any fees or other charges that your service or wireless carrier may charge for your Device or any related data or message services, including without limitation for short message service.

C. ADDITIONAL LIMITATIONS. We do not guaranty the functionality of the Mobile Banking Services on all mobile Devices, communication networks and/or geographic areas at all times. Mobile Banking Services may be temporarily unavailable during regular or emergency system maintenance or due to conditions beyond our control. In no event will we be liable to you for unavailability of/or your inability to access Mobile Banking Services.

D. MOBILE DEPOSIT SERVICE

When you access Online Banking using the App, you can deposit original personal, business, cashier's, travelers and US government checks, and US money orders payable solely to you ("Checks") to an account by capturing images of the Checks and then transmitting those images and other data to us electronically subject to the limitations contained in this Agreement. The Checks will then be processed electronically. You agree to only deposit Checks payable solely to you as permitted by this Agreement. We may elect, at our discretion, to

verify the authenticity or content of any transmission by placing a call to any owner or authorized signer but are not required to. We may deny access to the Mobile Deposit Service without prior notice if we are unable to confirm to our satisfaction any person's authority to access the Mobile Deposit Service or if we believe such action is necessary for security reasons. You agree to be responsible for any transmission or transaction we receive through the Mobile Deposit Service, even if it is not authorized by you.

1. USING THE SERVICE

You agree to: (i) install any equipment and/or implement any changes or upgrades to the equipment that we may require; (ii) follow our instructions for capturing and transmitting Check images and other information to us; (iii) endorse all Checks that you transmit to us through this service with, "*For ASB Mobile Deposit Only*"; (iv) view each Check as it is scanned to ensure that the images (front and back) are being captured properly; (v) retain original Checks until you have received notification that your deposit is approved and processed; (vi) after receiving the approved and processed notification, either destroy the original Checks by shredding them or conspicuously and indelibly marking the front of the Checks as "*Void*". **Once we confirm our receipt of Check information, you agree that you will not attempt, directly or indirectly, to negotiate, deliver, transfer or deposit the original Checks (or copies of such Checks, whether in paper or electronic form) with us or others. You agree to store or destroy original Checks and any copies of such Checks in a way that others cannot gain access to them.**

2. CERTAIN CHECKS NOT PERMITTED. You may not use the service to deposit:

- i. Checks payable to others (even if endorsed over to you);
- ii. Demand drafts or remotely created checks (i.e., checks lacking the original signature of the person authorizing the check);
- iii. Substitute checks (i.e., the front and back of paper checks created from an electronic image) and checks that are not printed with the maker's information. A "substitute check" is a representation of the front and back of a check that includes the following on the front of the document: "This is a legal copy of your check. You can use it the same way you would use the original check";
- iv. Checks that are irregular in any way (e.g., where the numerical and written amounts are different);
- v. Checks that have previously been returned unpaid for any reason;
- vi. Checks that are postdated or more than 6 months old;
- vii. Checks drawn on a foreign bank or payable in a foreign currency;
- viii. Checks payable to "Cash";
- ix. Checks drawn on the account into which the check is being deposited;
- x. Registered government warrants;
- xi. Checks you suspect may be fraudulent or not properly authorized; or

xii. Checks that exceed the maximum daily aggregate limit set forth below. Our processing of any of the Checks described above shall not obligate us to continue that practice, and we may stop doing so without cause or prior notice. We reserve the right to modify the types of Checks acceptable for this service at any time without prior notice. We may refuse any Check for deposit, with or without cause, or may elect to take a Check on a collection basis only. If we accept a Check for collection, we will send it to the institution upon which it is drawn, but will not credit your account for the amount until we receive the funds from the other institution. If we elect to credit your account before then, we may charge the amount back against your account if we do not receive payment for any reason. We may also change the amount of your deposit to the legal amount of the Check.

3. YOUR REPRESENTATIONS. You represent and warrant the following with respect to each Check that you transmit through the Mobile Deposit Service:

- (i)** You have the legal right to deposit and negotiate the Check, regardless of the name of the payee shown on the Check.
- (ii)** You are the holder of the Check and the person entitled to enforce it.
- (iii)** The images and information that you transmit accurately represent all of the information on the front and back of the original Check, including (without limitation) all endorsements, at the time of transmission.
- (iv)** You have not taken any action that would obscure, alter or impair the capture or transmission of information on the front or back of the Check or that otherwise may prevent us or another bank from capturing or processing such information.
- (v)** You make all warranties that would otherwise apply to the Check if it had been a paper item deposited with us. For example, you warrant that the Check has not been altered and you have a right to enforce the Check.
- (vi)** You make all encoding, transfer, presentment and other warranties that we or any correspondent bank we use are deemed by law to provide to others (e.g., as a reconverting bank) under any law, regulation, operating circular, clearing house rule, or image exchange network rule or agreement to which we are a party.
- (vii)** No Check will be presented for deposit or payment more than once.
- (viii)** The Check is not prohibited (*see Section 6*).
- (ix)** You will only use the service for lawful purposes and in compliance with applicable law.
- (x)** You will not submit files containing malicious code.

4. AVAILABILITY OF CHECKS DEPOSITED USING THE SERVICE. If you deposit a check using the Mobile Deposit Service before 6:00 p.m. HST on a business day, the amount of the check or \$200 (whichever is less) will be made immediately available for you to use. The remainder of your deposit may be available as early as the business day following the business day of your deposit. Your deposit is subject to verification, and we may not make the

funds available for you to use until we complete our verification. If we cannot verify your check, we will reverse the deposit from your account. We will notify you by U.S. Mail if we decide to delay your use of the deposited funds or decide not to accept your check for deposit. Before using funds that you deposit through Mobile Banking Services, you should confirm that your deposit has been credited to your account or is available for you to use by reviewing your account. Once you confirm that your deposit has been processed, you should write "Void" or "Electronically Deposited" on your check. You may not deposit this check again anywhere.

5. **FEES/CHARGES.** You are solely responsible for the cost of any network connection fees, communication lines and other charges payable to third parties.
6. **LIMITS.** Deposit limits vary for each customer. We reserve the right to impose limits on the amount and number of deposits you can make using the Mobile Banking Service. We also reserve the right to modify those limits at our discretion without notifying you of the change. For more information about your specific limits, please contact us at 808-627-6900 (Oahu) or 1-800-272-2566 (Neighbor Islands or Mainland). For Commercial and Corporate Banking clients, please call Cash Management Services at (808) 539-7894 or 1-800-272-2566, ext. 7894 during regular business hours.
7. **LIMITATION OF LIABILITY.** Except as otherwise stated in this Agreement, we will be liable to you only for damages arising directly from our intentional misconduct or gross negligence in the performance of the Mobile Deposit Service. We will not be responsible for any loss, delay, cost or liability which arises, directly or indirectly, in whole or in part, from:
 - Your actions or omissions, or those of third parties who are not within our immediate and reasonable control;
 - Your negligence or breach of any agreement with us;
 - Any ambiguity, inaccuracy or omission in any information provided to us;
 - Any error, failure or delay in the transmission or delivery of data, records or Checks due to a breakdown in any computer or communications facility;
 - Accidents, strikes, labor disputes, civil unrest, fire, flood, water damage (e.g., from fire suppression systems), or acts of God;
 - Causes beyond our reasonable control;
 - Our inability to confirm to our satisfaction the authority of any person to act on your behalf;
 - Your failure to provide us with complete and correct Check images and data in accordance with this Agreement and our service instructions;
 - The return of any Check by the institution upon which it is drawn;
 - The unavailability of the service for any reason;
 - Any information that is lost, intercepted or destroyed during its transmission to us; or

- Limitations placed on transactions by Federal Reserve, clearing house or exchange network rules or guidelines.

If the Mobile Deposit Service becomes unavailable, please contact us for alternative deposit options.

Our aggregate liability to you for claims relating to the Mobile Deposit Service, whether for breach, negligence, infringement, in tort or otherwise, and arising during any twelve-month period shall be limited to an amount equal to the total fees/charges paid by you for the Mobile Deposit Service during such twelve-month period. We will not be responsible under any circumstances or under any legal theory for special, indirect, or consequential damages, including (without limitation) any loss of profits, opportunity or good will, which you incur as a result of our actions or omissions, even if we are aware of the possibility for such damages. Any claim, action or proceeding by you to enforce any term hereunder or to recover for any Mobile Deposit Service-related loss must be commenced within one year from the date that the event giving rise to the claim, action or proceeding first occurs. You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with the Mobile Deposit Service. You acknowledge that our Mobile Deposit Service fees/charges have been established in contemplation of: these limitations on our liability; your agreement to review statements, confirmations, and notices promptly and to notify us immediately of any discrepancies or problems; and your agreement to assist us in any loss recovery effort.

8. NOTICES. You agree to notify us immediately if you discover: (i) any error or discrepancy between your records and the information we provide to you about your accounts or transactions (e.g., in a statement, confirmation, or electronic report); (ii) unauthorized transactions involving any account; (iii) a breach in the confidentiality of any password; or (iv) other problems related to the service. Unless otherwise agreed, notices required by this Agreement must be in writing. Notices to you may be mailed or sent to you at the statement, email or mailing address shown for you in our deposit or service records. Notices to us must be sent to the address in Section 2.

8. TEXT BANKING SERVICE. Enrolling in text Banking Service allows you to request certain information for your Online Banking accounts through text messaging. Save this number to your contacts 226563 (BANKME). Once you have registered a Device for Mobile Banking Service you may text "List" to 226563 for a list of commands. Balances provided may not include recent or pending transactions that have not yet been posted to your accounts. For help, text "HELP" to 226563. To opt out of the Text Banking Service, text "STOP" to 226563 at any time. Message and data rates may apply.

9. eSTATEMENTS AND YOUR DUTY TO INSPECT. When you subscribe to our eStatement service:

- a. You consent to the terms and conditions of our eStatement service.

- b. You agree to receive the account statements you designate by electronic delivery and in electronic form.
- c. You confirm that you are able to access, print, and/or save all of the information provided to you in electronic form. eStatements will be provided in Portable Document Format (PDF) and require Adobe Acrobat Reader (free to download). Your confirmation applies regardless of whether you elect to use your own personal computer or any other computer.
- d. Your consent will be effective for as long as you use the eStatement service for the account(s) you designate. You may unsubscribe at any time through Online Banking or by contacting us at the telephone numbers or address listed in Section 2.
- e. You agree to promptly and carefully review your eStatements to determine if any errors or problems exist and notify us immediately of any irregularity. If you fail to notify us of discrepancies or errors within fourteen (14) days from the date of any account statement containing such information, we will be entitled to treat such information as being correct in all respects
- f. You are responsible for accessing, opening, and reading any accompanying legal notices/disclosures in a timely manner.

These documents contain important and legally binding information and disclosures. You will promptly notify ASB if any documents you receive are incomplete, unreadable, inaccessible, or contain errors. eStatements will be available at the same frequency (cycle) as the statements that were previously mailed. We will use the e-mail address you have provided to notify you when your eStatement is available. When you first subscribe to eStatements, you will receive your current cycle's paper or CD-ROM statement (if applicable) as well as an eStatement. Beginning the next cycle, you will receive only eStatements (we will discontinue sending paper or CD ROM statements by postal mail). Any applicable fees related to paper or CD-ROM statements will also be discontinued effective with the statement cycle following enrollment. For accounts with multiple accountholders, only the eStatement will be provided as long as one of the account holders continues to opt for eStatements. For a standard monthly service fee, please contact us if you or the joint owner on the account would like a paper copy of a statement and/or cancelled check(s) in addition to receiving eStatements. Coordinate with your Online Banking Administrator to receive eStatements, paper statements or both.

10. Online Banking TRANSFERS

Transfers that you make between your accounts or send to third parties using Online Banking are covered by this section.

You can transfer money between your accounts only if you have enough money to pay for the entire transaction. If there is not enough money, the transfer will not be completed. If you try to make a transfer from your checking account that would cause an overdraft, the transfer may be completed if your checking account is linked to your savings account for overdraft protection or you have an overdraft protection line of credit account. You must have enough available balance in your savings account to your overdraft protection line of credit limit. There may be limitations on which accounts you

are allowed to make transfers between. Transfers are limited by the restrictions disclosed in the Business Deposit Account Terms and Conditions. You cannot transfer funds to or from savings accounts held as collateral and accounts that are in dormant or inactive status.

A transfer between ASB accounts (with the exception of mortgage accounts) will be processed immediately. Transfers to loans will be treated as payments. Transfers from eligible loan accounts will be processed immediately and the applicable interest charges as stated in your loan agreement will apply immediately.

See Section 11 for additional information.

A. INTERNAL TRANSFERS

You may make transfers, payments and deposits from and between your ASB savings and/or checking accounts or to pay your loans with us.

11. BILL PAY SERVICE FOR BUSINESS

a. SERVICE DEFINITIONS

- *"Service"* means the bill pay service offered by ASB, through our designated service provider.
- *"Agreement"* means these terms and conditions of the bill pay service.
- *"Biller"* is the person or entity to which you wish a bill payment to be directed or is the person or entity from which you receive electronic bills, as the case may be.
- *"Payment Instruction"* is the information provided by you to the Service for a bill payment to be made to the Biller (such as, but not limited to, Biller name, Biller account number, and Scheduled Payment Date).
- *"Payment Account"* is the checking account from which bill payments will be debited.
- *"Billing Account"* is the checking account from which all Service fees will be automatically debited.
- *"Business Day"* is every Monday through Friday, excluding Federal Reserve holidays.
- *"Scheduled Payment Date"* is the day you want your Biller to receive your bill payment and is also the day your Payment Account will be debited, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.
- *"Due Date"* is the date reflected on your Biller statement for which the payment is due; it is not the late date or grace period.
- *"Scheduled Payment"* is a payment that has been scheduled through the Service but has not begun processing.

b. PAYMENT SCHEDULING. The earliest possible Scheduled Payment Date for each Biller (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Biller. When scheduling payments you must select a

Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period.

c. THE SERVICE GUARANTEE. Due to circumstances beyond the control of the Service, particularly delays in handling and posting payments by Billers or financial institutions, some transactions may take longer to be credited to your account. The Service will bear responsibility for any late payment related charges up to \$50.00 should a payment post after its Due Date as long as the payment was scheduled in accordance with the guidelines described under "Payment Scheduling" in this Agreement.

d. PAYMENT AUTHORIZATION AND PAYMENT REMITTANCE. You represent and warrant that you are acting with full authority for the applying entity, and that you are duly authorized to execute this Agreement on behalf of the applying entity. By providing the Service with names and account information of Billers to whom you wish to direct payments, you authorize the Service to follow the Payment Instructions that it receives through the payment system. In order to process payments more efficiently and effectively, the Service may edit or alter payment data or data formats in accordance with Biller directives.

When the Service receives a Payment Instruction, you authorize the Service to debit your Payment Account and remit funds on your behalf so that the funds arrive as close as reasonably possible to the Scheduled Payment Date designated by you. You also authorize the Service to credit your Payment Account for payments returned to the Service by the United States Postal Service or Biller, or payments remitted to you on behalf of another authorized user of the Service.

The Service will use its best efforts to make all your payments properly. *However, the Service shall incur no liability and any Service Guarantee shall be void if the Service is unable to complete any payments initiated by you because of the existence of any one or more of the following circumstances:*

1. If, through no fault of the Service, your Payment Account does not contain sufficient funds to complete the transaction or the transaction would exceed the credit limit of your overdraft account;
2. The payment processing center is not working properly and you know or have been advised by the Service about the malfunction before you execute the transaction;
3. You have not provided the Service with the correct Payment Account information, or the correct name, address, phone number, or account information for the Biller; and/or,
4. Circumstances beyond control of the Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper

execution of the transaction and the Service has taken reasonable precautions to avoid those circumstances.

Provided none of the foregoing exceptions are applicable, if the Service causes an incorrect amount of funds to be removed from your Payment Account or causes funds from your Payment Account to be directed to a Biller which does not comply with your Payment Instructions, the Service shall be responsible for returning the improperly transferred funds to your Payment Account, and for directing to the proper Biller any previously misdirected transactions, and, if applicable, for any late payment related charges.

- e. **PAYMENT METHODS.** The Service reserves the right to select the method in which to remit funds on your behalf to your Biller. These payment methods may include, but may not be limited to, an electronic payment, an electronic to check payment, or a laser draft payment (funds remitted to the Biller are deducted from your Payment Account when the laser draft is presented to your financial institution for payment).
- f. **PAYMENT CANCELLATION REQUESTS.** You may cancel or edit any Scheduled Payment (including recurring payments) by following the directions within the application. There is no charge for canceling or editing a Scheduled Payment. Once the Service has begun processing a payment it cannot be cancelled or edited, therefore a stop payment request must be submitted.
- g. **STOP PAYMENT REQUESTS.** The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may also not have a reasonable opportunity to act on any stop payment request after a payment has been processed. If you desire to stop any payment that has already been processed, you must contact us at the telephone numbers or address in Section 2. Although the Service will make every effort to accommodate your request, the Service will have no liability for failing to do so. The Service may also require you to present your request in writing within fourteen (14) days. The charge for each stop payment request will be the current charge for such service as set out in the applicable fee schedule.
- h. **PROHIBITED PAYMENTS.** Payments to Billers outside of the United States or its territories are prohibited through the Service. In addition, payments that violate any law, statute, ordinance or regulation, and any payments related to illegal gambling, illegal gaming and/or any other illegal activity are prohibited through the Service.
- i. **EXCEPTION PAYMENT.** Tax payments and court ordered payments may be scheduled through the Service, however such payments are discouraged and must be scheduled at your own risk. In no event shall the Service be liable for any claims or damages resulting from your scheduling of Exception Payments. The Service Guarantee as it applies to any late payment related

charges is void when Exception Payments are scheduled and/or processed by the Service. The Service has no obligation to research or resolve any claim resulting from an Exception Payment; all research and resolution for any misapplied, mis-posted or misdirected payments will be the sole responsibility of you and not of the Service.

- j. BILL DELIVERY AND PRESENTMENT.** This feature is for the presentment of electronic bills only and it is your sole responsibility to contact your Billers directly if you do not receive your statements. *In addition, if you elect to activate one of the Service's electronic bill options, you also agree to the following:*
- *Information provided to the Biller* – The Service is unable to update or change your personal information such as, but not limited to, name, address, phone numbers and e-mail addresses, with the electronic Biller. Any changes will need to be made by contacting the Biller directly. Additionally it is your responsibility to maintain all usernames and passwords for all electronic Biller sites. You also agree not to use someone else's information to gain unauthorized access to another person's bill. The Service may, at the request of the Biller, provide to the Biller your e-mail address, service address, or other data specifically requested by the Biller at the time of activating the electronic bill for that Biller, for purposes of the Biller informing you about Service and/or bill information.
 - *Activation* – Upon activation of the electronic bill feature the Service may notify the Biller of your request to receive electronic billing information. The presentment of your first electronic bill may vary from Biller to Biller and may take up to sixty (60) days, depending on the billing cycle of each Biller. Additionally, the ability to receive a paper copy of your statement(s) is at the sole discretion of the Biller. While your electronic bill feature is being activated it is your responsibility to keep your accounts current. Each electronic Biller reserves the right to accept or deny your request to receive electronic bills.
 - *Authorization to obtain bill data* – Your activation of the electronic bill feature for a Biller shall be deemed by us to be your authorization for us to obtain bill data from the Biller on your behalf. For some Billers, you will be asked to provide us with your user name and password for that Biller. By providing us with such information, you authorize us to use the information to obtain your bill data.
 - *Notification* – The Service will use its best efforts to present all of your electronic bills promptly. In addition to notification within the Service, the Service may send an e-mail notification to the e-mail address listed for your account. It is your sole responsibility to ensure that this information is accurate. In the event you do not receive notification, it is your responsibility to periodically logon to the Service and check on the delivery of new electronic bills. The time for notification may vary from

Biller to Biller. You are responsible for ensuring timely payment of all bills.

- *Cancellation of electronic bill notification* – The electronic Biller reserves the right to cancel the presentment of electronic bills at any time. You may cancel electronic bill presentment at any time. The timeframe for cancellation of your electronic bill presentment may vary from Biller to Biller. It may take up to sixty (60) days, depending on the billing cycle of each Biller. The Service will notify your electronic Biller(s) as to the change in status of your account and it is your sole responsibility to make arrangements for an alternative form of bill delivery. The Service will not be responsible for presenting any electronic bills that are already in process at the time of cancellation.
- *Non-Delivery of electronic bill(s)* – You agree to hold the Service harmless should the Biller fail to deliver your statement(s). You are responsible for ensuring timely payment of all bills. Copies of previously delivered bills must be requested from the Biller directly.
- *Accuracy and dispute of electronic bill* – The Service is not responsible for the accuracy of your electronic bill(s). The Service is only responsible for presenting the information we receive from the Biller. Any discrepancies or disputes regarding the accuracy of your electronic bill summary or detail must be addressed with the Biller directly.

This Agreement does not alter your liability or obligations that currently exist between you and your Billers.

k. EXCLUSIONS OF WARRANTIES. THE SERVICE AND RELATED DOCUMENTATION ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE

l. SERVICE FEES AND ADDITIONAL CHARGES. Any applicable fees will be charged regardless of whether the Service was used during the billing cycle. There may be a charge for additional transactions and other optional services. You agree to pay such charges and authorize the Service to deduct the calculated amount from your Billing Account for these amounts and any additional charges that may be incurred by you. Any financial fees associated with your standard deposit accounts will continue to apply. You are responsible for any and all phone access fees and/or Internet service fees that may be assessed by your phone and/or Internet service provider.

m. FAILED OR RETURNED TRANSACTIONS. In using the Service, you are requesting the Service to make payments for you from your Payment Account. If we are unable to complete the transaction for any reason associated with your Payment Account (for example, there are insufficient funds in your Payment Account to cover the transaction), the transaction will

not be completed. In some instances, you will receive a return notice from the Service. *In such case, you agree that:*

1. You will reimburse the Service immediately upon demand the transaction amount that has been returned to the Service;
2. For any amount not reimbursed to the Service within fifteen (15) days of the initial notification, a late charge equal to 1.5% monthly interest or the legal maximum, whichever rate is lower, for any unpaid amounts may be imposed;
3. You will reimburse the Service for any fees imposed by your financial institution as a result of the return;
4. You will reimburse the Service for any fees it incurs in attempting to collect the amount of the return from you; and,
5. The Service is authorized to report the facts concerning the return to any credit reporting agency.

n. ALTERATIONS AND AMENDMENTS. This Agreement, applicable fees and service charges may be altered or amended by the Service from time to time. In such event, the Service shall provide notice to you. Any use of the Service after the Service provides you a notice of change will constitute your agreement to such change(s). Further, the Service may, from time to time, revise or update the applications, services, and/or related material, which may render all such prior versions obsolete. Consequently, the Service reserves the right to terminate this Agreement as to all such prior versions of the applications, services, and/or related material and limit access to only the Service's more recent revisions and updates. In addition, as part of the Service, you agree to receive all legally required notifications via electronic means.

o. ADDRESS OR BANKING CHANGES. It is your sole responsibility to ensure that the contact information in your user profile is current and accurate. This includes, but is not limited to, name, address, phone numbers and email addresses. Changes can be made either within the application or by contacting Customer Service. Any changes in your Payment Account should also be made in accordance with the procedures outlined within the application's Help files. All changes made are effective immediately for scheduled and future payments paid from the updated Payment Account information. The Service is not responsible for any payment processing errors or fees incurred if you do not provide accurate Payment Account or contact information.

p. SERVICE TERMINATION, CANCELLATION, OR SUSPENSION. In the event you wish to cancel the Service, you may have the ability to do so through the product, or you may contact us at the telephone numbers or address in Section 2. Any payment(s) the Service has already processed before the requested cancellation date will be completed by the Service. All Scheduled Payments including recurring payments will not be processed

once the Service is cancelled. The Service may terminate or suspend Service to you at any time. Neither termination nor suspension shall affect your liability or obligations under this Agreement.

- q. **BILLER LIMITATION.** The Service reserves the right to refuse to pay any Biller to whom you may direct a payment. The Service will notify you promptly if it decides to refuse to pay a Biller designated by you. This notification is not required if you attempt to make a prohibited payment or an exception payment under this Agreement.
- r. **RETURNED PAYMENTS.** In using the Service, you understand that Billers and/or the United States Postal Service may return payments to the Service for various reasons such as, but not limited to, Biller's forwarding address expired; Biller account number is not valid; Biller is unable to locate account; or Biller account is paid in full. The Service will use its best efforts to research and correct the returned payment and return it to your Biller, or void the payment and credit your Payment Account. You may receive notification from the Service.
- s. **INFORMATION AUTHORIZATION.** Your enrollment in the Service may not be fulfilled if the Service cannot verify your identity or other necessary information. Through your enrollment in the Service, you agree that the Service reserves the right to request a review of your credit rating at its own expense through an authorized bureau. In addition, you agree that the Service reserves the right to obtain financial information regarding your account from a Biller or your financial institution (for example, to resolve payment posting problems or for verification).
- t. **THE FOREGOING SHALL CONSTITUTE THE SERVICE'S ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL THE SERVICE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOST PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF THE EQUIPMENT, SOFTWARE, AND/OR THE SERVICE.**
- u. **FEES.** We will deduct the Bill Pay Service Fee below from your Primary Payment Account. If your Primary Payment Account is closed or suspended for any reason, we will designate an alternate Payment Account as your Primary Payment Account. If you do not have an alternate Payment Account, we reserve the right to discontinue or suspend the Bill Pay Service and stop any pending transactions.
 - **ASB Checking Account Service Fee**
 - Biz Simple: \$5.00/month
 - Biz Plus: FREE

Biz Deluxe: FREE
Analyzed Checking: FREE
All Other Checking: \$5.00/month

12. ADDITIONAL TERMS APPLICABLE TO ELECTRONIC FUND TRANSFERS AND THE SERVICES

- A. AGREEMENT.** By using any of the services and/or by making Electronic Fund Transfers, you agree to all of the terms and conditions contained in this Agreement.
- B. LINE OF CREDIT ADVANCE LIMITATIONS.** To the extent available, you may obtain advances from your line of credit accounts, except for your overdraft protection accounts, through the services. Such advances must be transferred into one or more of your deposit accounts. All advances on your line of credit accounts are subject to any minimum draw and other transaction requirements contained in the applicable account agreements.
- C. DEPOSIT ACCOUNT TRANSFER LIMITATIONS**
1. Transfers from your checking and savings account may not be completed if you do not have sufficient available funds in your account to do so, if the funds in your checking or savings account are subject to legal process or other encumbrances restricting the transfer, or if the funds in your accounts are subject to a hold on the funds pursuant to our current hold policy. If you do not have sufficient available funds on deposit to cover a transfer of funds from your deposit account, we may reject the transfer without payment. We may elect, however, in our sole discretion, to create an overdraft by allowing the transfer. Please see the Business Deposit Account Terms and Conditions for applicable fees.
 2. You may not transfer funds from any of your savings accounts which are pledged as collateral for loans you have with us or a third-party. You may not use the Services to close or renew your time deposit accounts or transfer funds to and from your time deposit accounts. If your account is a savings account, you are limited to making 6 transfers or withdrawals from your savings account in any calendar month. If you exceed these transfer limits in any one month, we may refuse to honor the excessive transactions, remove your transfer privileges, close your account without prior notice to you, convert your account to another type of account, and/or impose a fee for exceeding the limits.

Please see the Business Deposit Account Terms and Conditions for applicable fees.

D. LIMITATION OF LIABILITY. Our liability for any act or failure to act shall not exceed any direct resulting loss, if any, which you incur and payment of interest. Unless otherwise required by law, we will not be liable for any consequential, indirect or special damage that you incur in connection with your transfers and Bill Pay payments you make through the services, even if we are aware of the possibility for such damages. We will not be liable for any failure or delay in processing a transfer or Bill Pay payment which occurs, directly or indirectly, as a result of any strike or labor dispute, interruption of communication facilities, computer or equipment failure, fire, flood, war, riot, emergency condition, the actions or omissions of third parties, or any cause which is beyond our reasonable control. You agree that we may refuse to process or delay processing any transfer or Bill Pay payment if the transfer or Bill Pay payment would violate any guideline, rule, policy, law or regulation of any government authority or funds transfer system.

E. INDEMNIFICATION. With respect to all claims of third parties, you agree to reimburse and indemnify us or, and hold us harmless against any loss, liability, claim or controversy of any kind arising out of or in connection with the performance by us of our duties and obligations under this Agreement, as well as the costs and expenses (including but not limited to reasonable attorneys' fees), of defending against any claim or liability arising out of or relating to this Agreement; provided, however, that your responsibility to reimburse and indemnify us shall not apply when we have failed to act in accordance with the reasonable commercial standards of the banking industry.

13. JOINT AND INDIVIDUAL RESPONSIBILITY AND AUTHORITY. If your account is affected by an Electronic Fund Transfer and is a joint account, then each of you will be bound by this Agreement and each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. In addition, unless prohibited or restricted by applicable law, you acknowledge and agree that each one of you is fully authorized to take any and all actions related to indemnification an Electronic Fund Transfer on behalf of all of you, including but not limited to obtaining, using and terminating Security Codes, and for initiating Electronic Fund Transfers to and from your account.

14. TWO SIGNATURE LIMITATIONS. The signature cards for your deposit accounts, and the application, resolution or other related documents for your credit accounts identify who is authorized to make Transfers, obtain advances, stop payments, obtain ancillary services, and otherwise give us instructions regarding your accounts. Although those documents may indicate that more than one signature is required on checks, for the withdrawal or transfer of funds, or to obtain a credit advance, that notation is principally for your own purposes. We do not assume a duty to support multiple signature requirements in connection with the Services. As such, **we assume no duty to confirm that two or more (or any combination) of**

authorized signers on an account are Authorized Users and/or have approved any transaction.

15. ATTORNEYS' FEE. If we ever have to file a lawsuit to collect what you owe us, you agree to pay our reasonable expenses, including our attorneys' fees and costs.

16. RECORDING OF COMMUNICATION. When you access any of the services or otherwise communicate with us, the information you enter or speak may be recorded for confirmation or quality assurance purposes. By using any of the services, you consent to such recording.

17. SERVICE OUTAGES. Although the Online Banking services are usually available 24 hours a day, 7 days a week, at certain times such as during maintenance periods or system outages, some or all of the services may not be available.

18. EXCLUSIONS OF WARRANTIES. YOU AGREE THAT WE ARE PROVIDING THE SERVICES 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.

19. SUSPENDING, BLOCKING OR TERMINATING THE SERVICES

A. You may terminate your use of any service at any time by calling us or writing to us at the telephone number or address in Section 2. If you terminate your use of the services, you must separately cancel all your checking and savings accounts transfers, and line of credit account transfers and/or Bill Pay payments you scheduled through the services. If you do not cancel them before you terminate the services, those transfers and payments may still be made.

B. We may suspend or terminate your use of any of the services, or your ability to make other Electronic Fund Transfers, or block a transaction or payment that you have scheduled using any of the Services, at any time for any reason without prior notice. Your access to the services may, for example, be terminated if your accounts are closed for any reason, or we believe your accounts and/or the services are being used improperly or illegally. We may also terminate your use of the services if you do not sign on to the services using your Online Banking user name and password for a continuous period of three (3) months. Although we are not obligated to do so, we may block a scheduled transaction or payment, if, for example, we have reason to believe that it is not in our or your best interest for the payment or the transaction to be made. In addition, the Bill Pay Service may be terminated if your Payment Account is closed, there are insufficient funds in your Payment Account to process the payment and either you do not have overdraft protection or business overdraft account or the available overdraft protection or business overdraft account credit limit is insufficient

to cover the amount of the payment, or if access to your Payment Account is restricted for any reason.

- C. Whether you terminate this Agreement or we do, the termination will not affect your obligations under this Agreement, even if we allow any Electronic Fund Transfer to be completed after this Agreement has been terminated. You will be responsible for any Service Fees which have not been posted to your Account. Termination will not affect your liability or obligations under this Agreement for Electronic Fund Transfers we process on your behalf. However, termination will result in a loss of transaction history information about your Accounts and Bill Pay Payee information stored on the Services.

20. FORCE MAJEURE. We will not be liable for our inability to perform our obligations under this Agreement when such inability arises out of causes beyond our control, including, without limitation, any act of God, accident, equipment failure, system failure, labor dispute, or the failure of any third party to provide any electronic or telecommunications service used in connection with the acceptance and processing of transfers and Bill Pay payments.

21. ASSIGNMENT. You may not assign your rights or obligations under this Agreement to any other person. We may assign this Agreement or delegate any or all of our rights and responsibilities under this Agreement to any affiliate or third party.

22. NO WAIVER. No delay or omission by us in exercising any rights or remedies there under shall impair such right or remedy or be construed as a waiver of any such right or remedy. Any single or partial exercise of a right or remedy shall not preclude further exercise therefore or the exercise of any other right or remedy. No waiver shall be valid unless in writing signed by us.

23. SEVERABILITY. If any provision of this Agreement is determined to be void or invalid, the remainder of either the Application or this Agreement, as the case may be, shall remain in full force and effect.

24. WAIVER OF JURY TRIAL. You and we each waive our respective rights to a trial before a jury in connection with any disputes related to your accounts and the services. This includes any claims by us or by you, claims brought by you as a class representative on behalf of others and claims by a class representative on your behalf as a class member (so-called "class action" suits).

25. GOVERNING LAW. You acknowledge and agree that this Agreement shall be governed by and construed in accordance with the laws of the State of Hawaii.

26. ENTIRE AGREEMENT. This Agreement, along with the agreements for your Accounts (the "Account Agreements"), including but not limited to our current Check Hold Policy and Fee Schedule, and any other terms and conditions referenced in

this Agreement constitute the complete and exclusive agreement between you and us related to Electronic Fund Transfers using the services. You also agree to be bound by any express limitations and restrictions regarding the services at www.asbhawaii.com, and you further agree that product descriptions, explanations of services, Frequently Asked Questions, glossary of terms and helpful hints provided at www.asbhawaii.com are provided for your convenience only. You agree that this Agreement is the complete and exclusive statement of the agreement between you and the Service which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Service relating to the subject matter of this Agreement. If there is a conflict between what an employee of the Service or Customer Service Department says and the terms of this Agreement, the terms of this Agreement will prevail.