

## Deposit Account Rules and Regulations

### Application of Rules

This document contains the rules and regulations governing personal and non-personal accounts at National Exchange Bank & Trust. By signing a deposit account signature card, making an initial deposit, or by otherwise opening or maintaining an account, you accept and agree to be bound by the terms and conditions of this Deposit Account Agreement.

As used in this Agreement, the words “we,” “our,” or “us” mean National Exchange Bank & Trust, and the words “you,” “your,” or “depositor” mean each person signing a signature card and anyone else with the authority to deposit, withdraw or exercise control over the funds in the account.

Transactions between you and us shall be governed by this Agreement, the Wisconsin Statutes, as modified by the rules and by-laws of any clearinghouse association of which we are a member, and by all other laws, rules and regulations now or hereafter in force and applicable to the account. In the event of a dispute, you agree to resolve the dispute by looking at the terms of this Agreement (as they may be amended from time to time) and not to representations made by our employees or agents.

### Other Agreements

Your account and transactions on your account are also subject to other rules or agreements governing or referring to your account, including but not limited to, powers of attorney, payable on death or trust beneficiary designations, overdraft protection agreements, ATM and check card rules, online banking and bill payment service agreements, time deposit terms, interest rate sheets, fee schedules, IRA agreements, health savings accounts agreements and depository agreements. In cases of inconsistency or conflict, those other rules or agreements governing or referring to the account will control.

### Waivers and Precedents

Our Agreement with you gives us rights and duties. If we do not take advantage of all our rights all the time, that does not mean we lose them. For example: if we make funds available to you for withdrawal ahead of schedule, that does not mean we are required to do it again; if we pay a check that is more than your account balance, that does not mean we are required to do it again.

### Lawsuits

You and we agree to waive any and all right to trial by jury in any lawsuit relating to your account or to these terms and conditions. You and we each represent to each other that these waivers are knowingly, willingly, and voluntarily given. You and we also agree, to the extent allowed by law, to waive any and all claims which either may have against the other for incidental, consequential, special, or punitive damages.

### Protection Against Loss

If we believe or receive notice that you have used or are using your account in a fraudulent or unlawful manner, we may reverse any deposits to or payments from your account, no matter when they were originally made, in order to avoid or reduce any loss which we would otherwise incur because of your fraudulent or unlawful use.

You agree to reimburse us for our expenses, including attorney’s fees and expenses, arising out of any dispute, claim, or concern and our response to it.

### Taxpayer Identification Number

You agree to provide us with your taxpayer identification number (TIN) and certify its authenticity before your account is opened or provide us with evidence of exemption satisfactory to the Internal Revenue Service (IRS.) Unless we receive your certified TIN, we reserve the right to refuse to accept any deposit, pay interest on the account balance or permit withdrawals. Interest paid prior to your certified TIN will be subject to backup withholding under IRS regulations.

### Customer Identification Notice (USA Patriot Act)

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.

What this means for you, is when you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We will also ask to see your driver's license or other identifying documents.

Even if you have been a customer of ours for many years, we may ask you to provide this kind of information and documentation because we may not have collected it from you in the past.

### **Forms of Ownership**

We reserve the right to refuse some forms of ownership on accounts. Except to determine to whom we pay funds, we make no representation as to the appropriateness or effect of the ownership and beneficiary designation of an account.

### **Individual Accounts**

If you select an individual account, only you (or your authorized representative) have the right to withdraw funds from the account. Upon your death, the account balance will be payable as determined under applicable state law. In the event of your death or judicially declared mental incompetence, you agree that we have the right to honor checks or other items drawn against your account until ten days after we receive actual written notice of your death or incompetence, unless ordered to stop payment by a person claiming an interest in your account, i.e., a personal representative or legal guardian. You agree that your individual account will not be used for business purposes.

### **Minor Custodian Accounts**

If you select a Wisconsin Uniform Transfer to Minor Act (WUTMA) account, you, as the custodian, will hold the account and can make deposits and withdrawals for the benefit of the minor under the provisions of the WUTMA. The custodian for the minor under the act must be an adult or a trust company. The minor's social security number must be used. The deposit is a gift and the funds in the account belong solely to the minor. The custodian has full responsibility for the funds in the account until it is closed. We have no duty or agreement to monitor or insure that the acts of the custodian (or successor custodian) are for the child's benefit. If the minor dies before the WUTMA account is closed, all funds in the account must be included in the minor's estate.

You will not be able to pledge the account as collateral for a personal loan to you.

### **Joint Accounts**

If you select a joint account, each depositor agrees to hold us harmless against any liability which we may incur for accepting deposits from, permitting withdrawals by, and following the directions of the other. We may follow the instructions of any joint owner, even if that person has not yet signed the signature card or other account opening documentation, and we shall have no liability to any owner for doing so. We may, but need not, permit each of you to endorse for cash, or deposit to the account, items payable to any of you. You agree not to use your joint account for business purposes.

Each of you agrees to be jointly and severally liable for fees and charges and any account deficit resulting from fees and charges or overdrafts to the account whether caused by you or another person authorized to withdraw from the account, together with the costs we may incur to collect the deficit including, to the extent not prohibited by law, our reasonable attorney's fees. Each person agrees that at any time after default, we may deduct from the account amounts sufficient to repay any indebtedness of any depositor to us as allowed by law.

If one joint owner dies, the account becomes the property of the surviving joint owner, subject to our security interest and right to set-off. The survivor is not required to survive the death by any specified period.

### **Marital Accounts**

This account is established by two persons in Wisconsin who claim to be husband and wife. If you wish to establish a Marital Account with your spouse, you must indicate this to us when you open that account, and the signature card for the account must specifically state that the account is a Marital Account. We will treat a Marital Account as a joint account except that the account will not have the right of survivorship. When we receive written notice of death, 50% of the account balance will belong to the surviving party and 50% will belong to the estate of the deceased party. The survivor is not required to survive the death by any specified period. Either of you may designate a payable on death (P.O.D.) beneficiary to receive your interest in the account when you die.

### **Tenancy in Common Accounts**

A Tenancy in Common account is another form of joint account without the survivorship feature. A Tenancy in Common account is also in the name of two or more individual owners. Each joint tenant has complete and separate access to the funds and withdrawal rights, and each authorizes the other(s) to endorse for deposit any item payable to the joint tenant.

Until we receive notice of the death of any joint tenant, any tenant in common will have complete withdrawal rights to the entire account balance. If more than one tenant in common survives the death of another tenant in common, such survivors remain as tenants in common between them. Each tenant in common reserves the right to change the ownership of the account to the extent of that owner's withdrawal rights. Each tenant in common is presumed to "own" the funds in proportion to that person's net contribution to the account. However, because of the extreme difficulty in determining such proportions over time, you agree that upon the death of one tenant in common, the balance in the account at the time immediately before the death of the tenant in common will be deemed to be owned in equal shares between all tenants in common. After death receipt of notice of a death, the decedent's share will be set aside for the estate of the decedent, and the survivor's share in the account balance will be at the disposal of the surviving tenant in common. In some states this account is referred to as Joint Tenancy WITHOUT Right of Survivorship. Any tenant in common can create an authorized signer or attorney-in-fact who can hold all the same withdrawal and deposit rights as the authorizing owner, except the authorized signer or attorney-in-fact will not be an owner (a tenant in common).

### **Power of Attorney**

If you choose to designate an attorney-in-fact, you must do so in a form acceptable to us. Subject to the laws of Wisconsin, we reserve the right to refuse to honor any Power of Attorney presented to us, and may refuse to recognize a successor attorney-in-fact, whether or not the successor attorney-in-fact is specifically identified in the Power of Attorney. We reserve the right to refuse to follow the instructions of an attorney-in-fact to designate the attorney-in-fact as a P.O.D. beneficiary to the account. We are authorized, but not required, to honor a Power of Attorney until we receive written notice from you that you revoked the Power of Attorney or until the Power of Attorney has been revoked as a matter of state law. Power of Attorney can transact on solely-owned accounts. Jointly-held accounts will require signatures of all owners.

Agents Subject to compliance with our procedures, all of you acting jointly may designate one or more agents with such authority to act with respect to your account as is authorized in the form designating the agent. Any designation of agent shall be executed in a form approved by us. You hold harmless and indemnify us from and against all claims made against us by reason of any act of any person designated as agent and for any and all actions taken by us in reliance upon any agent designation signed by you. Subject to the terms and conditions of your agency designation, we may, but need not, recognize the authority of an agent, until we know of the death or incompetence of all parties appointing the agent and have had a reasonable opportunity to act on it.

### **Payable on Death (P.O.D) Accounts**

Subject to the laws in the state of Wisconsin, upon receipt of actual written notice and proof of your death, the balance in your account will be paid to the persons or entity you designate as P.O.D. beneficiary on a form provided or acceptable to us. A P.O.D. beneficiary would be bound by any security interest and right to set-off which a depositor may have then, or thereafter, granted in a deposit account. The beneficiary is not required to survive the death by any specified period.

### **Sole Proprietorship Accounts**

If you are doing business under an assumed name, you represent and agree that you have properly filed all assumed name certificates and other documents required by law in the state of Wisconsin. You agree to notify us in advance of any change in your form of ownership. We may follow the instructions of any authorized signer, even if that person has not yet signed the signature card or other account opening documentation, and we shall have no liability for doing so. If you are a sole proprietor, you agree that upon your death, your estate shall release and indemnify us for any payment made at the direction of an authorized signer on your account, provided we have not received written notice of your death. You also agree we are not obligated to cash checks payable in the name of the sole proprietorship.

### **Partnership, Corporation, Unincorporated Association and Limited Liability Company (L.L.C.) Accounts**

You agree that the account is payable only to or on the order of the partnership, corporation, unincorporated association or L.L.C., as applicable, and not, except as they may be a payee on a check or other item drawn on the account, to any individual, partner, director, shareholder or member thereof. You further represent that all certificates and resolutions delivered to us in connection with the account are true, accurate, complete, and will be kept up to date and may be relied upon. On any transaction involving the account, we may act upon the instructions of the persons authorized by the signature card or resolution to act on behalf of the partnership, corporation, unincorporated association, or L.L.C. We may follow the instructions of any authorized signer, even if that person has not yet signed the signature card or other account opening documentation, and we shall have no liability for doing so.

You agree to notify us in advance of any change in your form of ownership. You also agree that we are not obligated to cash checks payable to the partnership, corporation, unincorporated association or L.L.C., or to accept "cash back" deposits.

**Trade Names**

If you have established your account under a trade name, you certify that you are doing business under that name and that no one else has any interest, title, or right to that trade name. You agree to protect and indemnify us against any loss or liability, including court costs and attorney's fees, arising from the acceptance by us for payment or credit, for any checks drawn to the order of and endorsed in the trade name.

**Fiduciary and Similar Accounts**

If the account is opened as an estate or trust account, guardianship or conservatorship account, or other similar type of account, we reserve the right to require necessary documents or authorizations to verify the person requesting the withdrawal of funds held in the account has the authority to withdraw such funds. Any fiduciary named as a signer on a fiduciary account shall be solely responsible for acting in accordance with the terms of the applicable laws, will, court order or trust instrument establishing and covering the fiduciary relationship, and we are not responsible for examining, or insuring compliance with the provisions of any such law or instrument. We shall be held harmless for refusing to pay or release funds in the account where such refusal is based on the failure of the person requesting or directing the withdrawal to provide documents or authorizations requested by us.

**Notices and Address Change Notices**

We may mail notices and statements to you at the address listed in our records for the account. If you use Exchange OnLine (our Internet banking service) you agree that we may send you or make available to you any statements, notices, disclosures, and other information electronically rather than in paper form. This includes, but is not limited to, notices, disclosures, statements and other information required under this Agreement or under the Electronic Funds Transfer Act or any other regulation of the Federal Reserve Board. We may send this information to you by posting it on the Exchange OnLine Web site or by regular e-mail.

We are entitled to rely on the postal address or e-mail address that you have provided us and assume that notices and messages sent to that address are received by you, until you give us notice that the address is no longer valid. Notices and messages sent to you will be effective when mailed or, if applicable, posted on the Exchange OnLine Web site or sent by e-mail. Notice sent to us will be effective upon receipt. Notice to any one of you is notice to all of you. Any one of you may give us instructions to change the address in our records, which we may require in writing. If the post office provides a different address for you, you agree that we may use that address.

**Transferability/Assignment/Set-off/Security Interest**

Your account is not negotiable, transferable, or assignable without our prior written consent. Notice to us of a claim or interest including, without limitation, a security interest, in an account has no effect upon our rights and duties with respect to the account, and in the absence of our express agreement to the contrary or our receipt of an order of a court or administrative agency of appropriate jurisdiction, we shall not be required to abide by the terms of the notice or any instructions given to us in connection with such a claim or notice. You agree that, subject to applicable law, we have a lien and security interest and right to set-off in each account held in your name, either individual or joint with another person. This means that, if you owe us money, whether due or not, under a loan agreement or for any other reason, we may refuse to allow withdrawals from your account or take the funds owed to us from any such account to the extent allowed by law. We may also hold or take funds from any such account to pay any attorney's fees and costs which we incur in enforcing our security interest and right to set-off. We have the sole right to choose the account from which we hold or take the funds owed us. We may hold or take these funds without giving you, any joint owner, or any other person prior notice of our withdrawal. This right may be exercised at any time prior to our midnight deadline even after final payment of checks, and without prior notice, and it applies even if one or more of you with the right of withdrawal is not obligated to us on the debt.

**Disclosure of Information/Other Legals**

You agree that we may obtain information concerning your prior account relationships, employment history and obtain a credit report from a credit reporting agency. We may decline to open or may close any account(s) based on the information obtained.

We may disclose information about you, your account, or transactions on your account:

1. To third parties where it is necessary for completing or tracing transactions, or resolving errors or claims;
2. To verify or disclose the amount, condition or existence of your account or reasons for closing your account to third parties, such as credit bureaus, merchants or other financial institutions;
3. To comply with subpoenas, summonses, search warrants or requests from governmental agencies;
4. Whenever required by law;
5. To other recipients of combined statements;
6. To others with your consent.

You authorize us to comply with any court order, process, summons, garnishment, attachment, injunction, execution, reclamation, levy, lien or notice of any kind ("process") received by or served upon us, by which, in our opinion, another person or entity claims an interest in your account. We may, at our option and without liability, refuse to honor orders to pay or withdraw sums from your account and may hold the balance in the account until the process is disposed of to our satisfaction. We may pay any balance to the proper authorities. Notice of such process will be provided to you only when required by law. Any process is subject to our security interest and right to set-off.

### **Payment of Checks and Other Items**

You agree that our use of automated check sorting equipment and automatic payment of checks without manual verification of signature, or other examination, is a procedure that does not vary unreasonably from general banking usage and constitutes ordinary care by us in paying checks. You also agree that we may accept or pay checks and other items in any order we choose.

Unless we have agreed in writing to honor a restriction, we are not required to honor any special instruction or "restrictive legend" placed on checks you write. Examples of restrictive legends on checks are "not valid for more than \$500" or "must be presented within 90 days." We are not responsible for any losses, claims, damages, or expenses that result from your placement of these or other special instructions on your checks.

Two-signature checks: If you stated that you require two signatures on the checks that are issued from your checking account and are requesting that we monitor these checks, you may be charged a fee. We will use our best efforts to monitor this account.

However, using automated check processing equipment may result in our inability to check each item. You agree to hold us harmless from any loss, cost, damage, liability and expense (including attorney's fees) you may incur as a result of our failure to notice that your check(s) did not contain multiple signatures.

We will charge your account for a check on the day the check is presented to us for payment by any legal means, including electronic or earlier if we receive notice that a check drawn on your account will be presented for payment. This will affect your available balance, determined as of the time we receive the check or notice, and our determination of whether you have sufficient funds in your account to pay the check.

### **Refusing Payment on Checks**

You must fill in an amount (in words and numbers) correctly and clearly, and sign your name on checks you write. You should fill in the date and name a payee on your checks. If you don't name a payee, anyone can cash the check. If you fail to follow these rules, we may refuse to honor your checks.

When a check you write is presented to us by another bank for payment, we will generally accept the endorsements on the check, because if an endorsement is missing or forged, we have rights against the other bank that protect us. When a check of yours comes to us other than through another bank, we may not cash it if we are not comfortable with the endorsements on it or the identity of the person who presents it. This is especially true with an endorsement in the name of a business entity.

We may require anyone who presents a check for payment in person (other than an account owner presenting a check on his or her own account) to:

- pay a fee to cash the check if we require it;
- give a finger or thumbprint, and identification, as a condition of cashing a check.
- 

If the presenter of the check refuses to comply with these requirements, or complies but later asserts that these requirements infringed on their legal rights, you understand and agree that imposing these requirements will not be considered a "wrongful dishonor" of your checks.

### **Cut-Off Hours**

Deposits made to your account or items received by us after 2:00 p.m. on a banking day, or at any time on a non-banking day, may be held by us for safekeeping and treated as having been deposited or received on the next banking day. Saturdays, Sundays, and legal holidays are not considered banking days.

Any knowledge, notice, stop payment order or legal process comes too late to modify our right or duty to pay a check or charge your account for the check if received by us after 9:30 a.m. on the banking day after the banking day on which we received the check or prior to that time if we do not have a reasonable time to act upon the knowledge, notice, stop payment order or legal process.

## **Deposits**

Deposits of checks, drafts, money orders, etc. are received, receipted for and entered to your account and will be subject to our current Funds Availability Schedule. A receipt may be provided or made available upon request for all deposits to your account (except for remote deposits, such as lock box or after hour depository service.) However, the amount on your deposit receipt is based solely on your representation or the amount written on your deposit slip. Credits for deposits are subject to final verification and, after review, we may make adjustments to your account for any errors. We may rely on the account number on any deposit record received, even if the record identifies a party different from the entity identified by name in the record. We have no duty to detect any such inconsistency in identification.

Items drawn on non-U.S. banks or items payable in a foreign currency may be accepted for collection, in which case our Funds Availability Policy shall not apply. The actual credit for items payable in a foreign currency will be at the exchange rate in effect at the time of final collection in U.S. dollars.

When we take items for collection, we act only as your collecting agent. We are not responsible for items lost while not in our possession. We are not responsible for any deposit made using our after hour depository or sent to us by mail until we enter the deposit into our records.

We may accept for deposit any item payable to you, with or without an endorsement. We may supply a missing endorsement for any item we accept for deposit or collection and you will certify that the endorsement is genuine. We may give cash back from a deposit to any one of you.

We may decline, at any time, to accept deposits or specific items for deposit from you or any person, or may limit the amount of deposits, and return to you any part of the whole of the account. Interest will cease to accrue on any part of the account which is returned. We have the right to not accept multiple check deposits to a savings or money market account.

You authorize us to initiate automated credit entries to the account and to initiate, if necessary, debit entries and adjustments for any credit entries made in error to the account. You agree to be bound by the rules of the National Automated Clearinghouse Association (N.A.C.H.A.) and the applicable regional or local Automated Clearinghouse (A.C.H.) rules in effect at the time of the transaction. Automated credit entries made to the account are provisional under the A.C.H. rules until we have received final settlement or otherwise have received payment. If we do not receive such settlement or payment, we are entitled to a refund of the amount credited to any account and the party making payment to you shall not be deemed to have paid you in the amount of such credit entry. Under the ACH rules, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will notify you of the receipt of payments in the periodic statements we provide to you. Payment of electronic deposits may be made to a person or account on the basis of the identifying numbers provided by the sender even if the number identifies a person(s) different than the person(s) named by the sender.

## **Returned Deposited Items**

If a check which you have deposited to the account is returned to us unpaid, we reserve the right to automatically send the check to the paying bank a second time. If we do so, we will not charge the account for the amount of the check, nor will we provide you with any notice of nonpayment which may be required by applicable law. However, we will charge any fee that may apply. If the check is then returned a second time, we will charge your account for the amount of the check. If notice is required, we will notify you at that time. You agree that any item you deposit or cash, that is returned to us by the bank on which it was drawn unpaid may be charged against any account you have with us, regardless of whether the other bank returned the item before its midnight deadline. We may reverse interest paid on such items. You further agree that any item you deposit that is returned unpaid due to a missing endorsement may be reprocessed by us at our discretion and without notice to you if the form of endorsement required may be supplied by us.

If an item deposited to your account has been paid by the bank on which it is drawn and that bank later returns the item to us claiming that it was altered, forged, unauthorized, over-encoded or should not have been paid for any other reason, we may withhold the amount of the item from your account until that claim is finally resolved.

You waive notice of nonpayment for any item less than \$2,500 deposited to the account.

## **Withdrawals**

Anyone who signed the signature card may withdraw or transfer all or a portion of the account balance at any time by using forms approved by us or by any other method we authorize. We reserve the right to restrict withdrawals until we have received a properly signed authorization on a form approved by us. We may honor any item drawn on the account which contains your signature, whether or not the form of the signature is the same as that shown on the signature card given to us. We may pay items authorized by you to be issued without your signature. If we have reason to believe that a

dispute or uncertainty exists as to the rights, powers, duties or authority of any of you or any other signers on the account or their successors, we may, but shall not be required to, refuse to permit withdrawals, pay items or recognize the authority of an agent.

We may refuse to cash any item written (including, but not limited to, a substitute check) by you when presented by a person who is not one of our customers. We shall not be liable to you for accepting or paying any item drawn on the account by reason of the item's date or other special instructions unless we have expressly agreed to the special instructions. You agree that we will not be responsible if we pay any item which has been forged, altered or counterfeited (regardless of by whom or what means including electronic or photostatic copying) in a way that a reasonable person could not detect.

At our option, we may honor or dishonor checks presented against uncollected funds (see our Funds Availability Schedule) or insufficient funds. At our discretion, we reserve the right to return checks and other preauthorized transactions charged to your account to cover the amount of any overdraft and the related fees. Having honored such checks in the past does not obligate us to do so in the future. If your account is linked to an overdraft line of credit (Personal Line of Credit) or other overdraft protection plan, the terms printed on your credit or other agreement will apply to any overdraft occurring in your account for any reason. If we decide to return checks which you have written against uncollected or insufficient funds, you will be charged the current established fee. In addition to per item overdraft charges, there may be a daily overdraft fee if your account is overdrawn more than three consecutive business days.

### **Reversals**

You may have the right to reverse any debit to your account sent through the ACH system that was not authorized by you in accordance with the ACH rules. For consumer accounts, if you want to reverse a debit, this means you must give us a written statement under penalty of perjury within 15 days after you get information from us that reflects that debit. In your statement, you must declare and swear under oath that the debit was not authorized by you. If we receive your statement within the 15-day period, we will re-credit your account for the amount of the payment. This right of reversal is in addition to any applicable right to stop payment. We may require you to submit written statements under penalty of perjury to us under other circumstances in which you want to reverse an ACH debit entry.

### **Facsimile Signatures**

You may request that we pay items drawn on the account which bear or appear to be a facsimile of your signature. You agree that you shall have the responsibility for maintaining security of any such facsimile signature or device by which it is affixed and that you shall bear the entire risk of unauthorized use, whether or not you are negligent. You also agree that no facsimile signature that we have been authorized to honor, or a facsimile signature that you have used, may be considered a forgery or an unauthorized signature. You hold us harmless from any loss, cost, damage, liability and expense (including attorney's fees) we may incur as a result of unlawful use, unauthorized use or misuse by any person of any such facsimile signature.

### **Required Signatures**

We process certain items mechanically, based on information encoded on checks and other transaction items, and we are not required to examine items and debits drawn on your account. We collect your signature to obtain your agreement to the rules we establish for your account, but this does not create any responsibility on our part to verify signatures on items and other charges to your account.

You agree that if you;

1. have an account in which more than one signature is required to complete a transaction;
2. authorize someone to transact some but not all transactions on your account;
3. authorize someone to transact business on your account for limited purposes and no others; or
4. use checks that require two or more signatures;

then, such arrangements are strictly between you and the other person(s) you authorize, whether we have notice of your arrangement (including in a form we provide you) or not.

You cannot assert a claim against us for permitting a transaction so long as any one of the owners or authorized persons sign or initiate the transaction, even if a person exercises more authority than you have given.

### **Postdated Checks**

You agree not to postdate any check you write. If you do postdate a check, you authorize us to pay the check as a cash item, upon receipt, the same as if it possessed the date it is presented for payment, even if you have previously given us notice that the item is postdated. To dishonor a postdated check, you must request a stop payment order and supply us with your name, account number, check number, amount and payee. We may return and not pay the item regardless of when we receive it. Your liability of an item shall not be released by our certification of the item.

**Stale-Dated Check**

A “stale-dated” check is one that is brought to us for payment more than six months after its date. We may pay, or refuse to pay, a check presented more than six months after its date. (Generally, we will pay the check.) If you do not want us to pay a stale-dated check, you must place a stop payment order on the check.

**Non-Sufficient Funds (NSF)**

We may assess a fee for any item or withdrawal request drawn against non-sufficient funds in your account and/or charge interest for any overdraft on your account. We will not be liable for failure to pay any item unless it is drawn against available funds credited to the account at the opening of business on the day the item is presented for payment. If we pay an item that overdraws your account, you agree to pay the amount of the overdraft together with any fee and accrued interest immediately upon demand at our office, whether you signed or requested the withdrawal or participated in the transaction creating the overdraft or received any benefit from the withdrawal creating the overdraft. We reserve the right to close your account due to excessive overdrafts. You agree to pay all costs and expenses, including attorney’s fees, incurred by us in the collection of any overdraft.

**Time Deposits**

You agree to keep your funds on deposit until the maturity date of the time deposit. You may not withdraw the principal of your account before its maturity without our consent. If we allow a withdrawal prior to maturity, we may impose an early withdrawal penalty, in which case, you may lose funds. The terms of the early withdrawal penalty were disclosed to you at the time you opened your account. We may not impose the early withdrawal penalty on solely-owned or jointly-held accounts due to the death or court declared mental incompetence of an accountholder. An early withdrawal may decrease the rate of interest paid on the remaining account balance. If you were given a certificate to validate your time account, we will require you to present the certificate and any amendments to receive payment or transfer ownership.

Look on the face of the certificate or disclosure statement to determine if your account was set up as an automatically-renewable account or a single-maturity account. If your deposit is automatically renewable, the account will renew for successive like periods unless surrendered and properly endorsed within seven calendar days after the maturity date. The interest rate will be adjusted at each maturity to the then current rate being paid on this type of investment. If we do not offer a similar investment term, we may renew the deposit at a rate we feel is reasonable. We can choose not to renew your account upon providing you written notice at least ten days prior to any maturity date, or as required by applicable law.

If your deposit is a single-maturity account, it will not automatically renew at maturity. If you do not renew your single-maturity account, the funds will be placed in a non-interest bearing account.

**Savings and Money Market Accounts**

By the term “savings/money market” account we mean an account that earns interest, but has no specific maturity date or required notice period. (A maturity date or a required notice period is a characteristic of a time deposit.)

We will provide you with a periodic statement for your savings account and you must examine your statement for errors or forgeries just as you should for your checking account.

You can make withdrawals from a savings account in many ways, such as:

1. in person by withdrawal slip;
2. at ATM machines with an ATM card or check card; (You must have a card and a personal identification number (PIN), and you must select your savings account as the account you want to access on the screen.)
3. by automatic (electronic) payment to a loan account with us; (You would have to set this up in advance.)
4. by automatic (electronic) payment to others; (You would have to set this up in advance.)\*
5. by telephone transfer to another account of yours with us; (You will need an access code to use our automated system.)\*
6. online (Internet) transfers to other accounts with us; (You would need to arrange for online transactions.)\*
7. online transfers to your account at another bank; (You would need to arrange for online transactions.)\*
8. by check. (You would need to select a savings account that permits access by check.) \*

You are limited to no more than six of the transactions shown above with a “\*” in a monthly statement cycle, and no more than three of such transactions by check or check card. We calculate these limits by the day they are posted on our system.

If you exceed these limits we may:

1. close your account;
2. convert your account to a checking account, and price it accordingly;
3. charge you a fee, in addition to (1) or (2) above.

We may, at any time, require seven days prior written notice of your intent to withdraw funds from your interest-bearing account. If notice is at any time required, we have the right to return unpaid any item drawn on your interest-bearing transaction account and shall not incur liability of any kind, whether for wrongful dishonor or otherwise, by reason of the returned items.

### **Personal Interest-Bearing Checking Accounts**

For accounting purposes, all personal interest-bearing checking accounts consist of two sub-accounts; a transaction sub-account to which financial transactions are posted and a holding sub-account into which available funds above a preset level are transferred daily. Funds will be transferred back to your transaction sub-account to meet your transactional needs; however, all funds in the holding sub-account will be transferred to the transaction sub-account with the sixth transfer in any calendar month or monthly statement period.

Both sub-accounts are treated as one account for the purpose of access and information, tax reporting and recording deposits and withdrawals, etc.

### **Dormant Accounts**

An account is considered dormant when, for a specific period of time, no deposit, withdrawal, or other transaction is made and/or we have lost contact with you. Savings and money market accounts are considered dormant after three years with no customer transactions, and checking accounts six months with no customer transactions. An annual statement is prepared for a dormant account and the account is subject to dormant account fees. The amount and frequency of the fee is disclosed in the fee schedule. We reserve the right to close your account if there is a zero balance and no activity for a certain period of time.

Under state law, we are required to classify your account as "abandoned" if the account is dormant for a period of five years. At that time the account is closed and the balance is transferred to the state of Wisconsin.

The same is true if you purchase an official check and you do not cash it. After 5 years the funds held to pay the official check will have to be reported to the state.

If we are required by law as the holder of the account, we will try to locate you at the address you provided us with on your account. If we are not able to do so, or are no longer the holder of the funds, we will be required to deliver the account balance or the check amount to the state as abandoned property. You will then need to apply to the state for the return of your funds.

### **Service Charges**

You agree to pay service, maintenance, withdrawal, check printing, check cashing, and other charges, expenses, costs, and penalties negotiated or disclosed in the application, fee schedules, agreements, or these Rules as established by us from time to time. You acknowledge receipt of the fee schedule. A minimum balance as established by us must be maintained at all times. If the balance in the account falls below the minimum, you may be charged a fee and/or we may close the account and return the balance, plus any accrued interest, to you except where in conflict with any provision of these Rules or any other rules governing or referring to the account.

You agree to reimburse us for expenses, costs, fees and charges incurred in searching for, reproducing and transporting books, paper, records and other data, including photocopy and hourly fees, to comply with subpoenas or other legal orders or your requests. You authorize us to deduct these fees, charges, expenses, costs and penalties from your account or a related account without further notice, even if they create an overdraft.

### **Lost Checks, Account Book or Access Device**

You agree to notify us promptly, verbally and in writing of any suspected loss, theft, disappearance, or unauthorized use of any card, check, passbook, receipt, certificate, access code, PIN or other access device permitting access to or evidencing your account. Until receipt of such notice, we shall not be liable for payments made except as otherwise provided by law to any person presenting it. We may permit withdrawals by you or issue new evidence of any account on such conditions as we may require. We may require a waiting period or proof by affidavit of loss, theft, destruction, or unauthorized use. We may also require a bond of indemnity in an amount satisfactory to us against all claims and expenses that we may incur. If any of the above have been lost or stolen, we reserve the right to close the account and re-open it under a new account number. Upon issuance of any replacement account document, the original shall be void.

If you ask us to stop payment on a lost, destroyed or stolen cashier's check or other official bank check of which you are the remitter or the payee, or a lost certified check of which you are the drawer or payee, we will require a declaration of loss from you. We must be given a reasonable time to act on the declaration before the item is paid. Your claim is not enforceable until the 90th day after we issued or certified the check and until that time we will pay the check to any person entitled to enforce it. Our payment of a check to a person entitled to enforce it discharges us of all liability with respect to the check. Such person may have a claim against you after the 90th day and after we have paid you.

### **Stop Payments**

You may stop payment on a check drawn on your account if we have not accepted, certified, made final payment on or otherwise become accountable for the item. Any joint owner or authorized signer may order us to stop payment on any check drawn on the account. When placing a stop payment order, you agree to indemnify us and hold us harmless from all expenses, costs and attorney fees incurred by us due to our refusal to pay the item. Under the law there are some situations where a check can be charged against your account even though you ordered us to stop payment.

We will not have a duty to stop payment until you have given us the number and exact amount of the check or draft, as well as the date it was written and the name of the payee and we have had a reasonable opportunity to act prior to the earlier of our payment of it or 9:30 a.m. on the banking day after the banking day we receive the item. Stop payment orders received outside of regular banking hours will be deemed received one hour after the next business day. The number and amount must be exactly correct to enable our computer system to match the item to your stop order.

A verbal order is effective for fourteen days unless confirmed in writing. A written order is effective for the period of time you have chosen, six or twelve months, unless you renew the order in writing for another period. At our option we may continue stop payment orders beyond these time periods unless cancelled by you. The only person authorized to release a stop payment is the person who initiated the stop payment order.

If you have authorized us in advance to make regular payments out of an account, we must receive stop payment orders at least three business days before the next scheduled payment. See our Electronic Funds Transfer Services Agreement for additional information regarding placing a stop payment on a preauthorized withdrawal.

If we pay the check, despite your timely stop payment order, the payment will stand unless you show us the check was unenforceable. If we credit your account after paying a check over a valid and timely stop order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holder of the check, and to assist us in legal action taken against that person.

### **Electronic Check Representation**

If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, the depositor of the check or the depositor's bank may represent the check to us electronically. On behalf of the depositor, the depositor's bank may send us an electronic instruction (electronically represented check) to charge your account for the amount of the check.

If we receive an electronically represented check, we will pay or return it as if the original paper check were being represented to us. The Electronic Funds Transfer Rules will not apply to an electronically represented check.

For an electronically represented check to be charged to your account, all of the following must apply:

1. the electronically represented check must be for the face amount of the paper check only and may not include any collection fee charged by the depositor, the depositor's bank, or a collection agency;
2. the electronically represented check must relate to a paper check drawn on a personal account that we returned unpaid because of insufficient or uncollected funds;
3. you must not have placed a stop payment on the paper check after we returned it unpaid but before it was collected electronically;
4. the paper check must have been less than \$2,500;
5. the paper check must not have contained an unauthorized signature or an alteration and must not have been a counterfeit;
6. the paper check must have been dated 180 days or less before the date on which the electronically represented check is sent to us;
7. the payee of the paper check must have given you notice that, if we returned the paper check unpaid because of insufficient or uncollected funds, the paper check could be collected electronically;
8. the electronically represented check must have been sent to us no more than twice after the first time we returned the paper check, or no more than once after the second time we returned the paper check.

You may reverse any ineligible or unauthorized electronically represented check that we charged to your account. If you want to reverse an electronically represented check because you placed a stop payment on the paper check to which the electronically represented check relates after we returned the paper check unpaid but before it was collected electronically, you must notify us within 30 days after we send or make available to you the periodic statement that reflects payment of that electronically represented check. If you want to reverse an electronically represented check for any other reason, you must give us an affidavit within 30 days after we send or make available to you the periodic statement that reflects payment of that electronically represented check. In your affidavit, you must declare and swear under oath that the electronically represented check was ineligible or unauthorized. If we receive your notice or affidavit within the 30-day period, we will credit your account with the amount of the charge.

If you wish to stop payment on any electronically represented check, you must follow the procedures in the rules for stopping payment of paper checks, not electronic checks.

You may ask us to request the depositor's bank to send us the original paper check or a copy of the paper check. If you want the original paper check you must ask us within 60 days of the date the electronically represented check was charged to your account. If you want a copy of the paper check, you must ask us within six years and eleven months of the date the electronically represented check was charged to your account. When we receive the original paper check or a copy of the paper check from the depositor's bank, we will forward it to you promptly.

If you ask for the original check, you agree that you will not seek to have your account credited for any of the following reasons:

1. the original check was ineligible to be collected electronically;
2. you placed a stop payment on the original paper check;
3. the payee of the original paper check did not give you notice that, if we returned the check unpaid because of insufficient or uncollected funds, the paper check could be collected electronically.

### **Copies of Documents**

We do not typically keep the original paper documents associated with your account for a long time. We make copies of most of the documents that end up with us and destroy the paper originals. Microfilm is one type of media that is used, but as technology changes, there are and will be other copying techniques. You agree that such copies will be sufficient for all purposes. You agree to reimburse us for any losses and costs we incur as a result of a poor check image caused by a deficiency in the written check.

### **Electronic Messages and Agreements**

Many customers use the Internet and e-mail as their primary form of communication with us. For example, we offer Internet Banking and may offer the ability to obtain periodic account statements online.

You agree that we may make agreements with you by electronic means. Your authorization and consent to such an agreement, or your delivery of instructions, may be made by use of certain numbers, codes, marks, signs, PINs, public or private keys or other means, acceptable to you and to us, to establish your identity and acceptance of the electronic communications. All electronic communications that meet these requirements will be deemed to be valid and authentic and you intend and agree that those electronic communications will be given the same legal effect as written paper communications signed by you. You agree that electronic copies of communications are valid and you will not contest the validity of the originals or copies, absent proof of altered data or tampering.

You are not required to accept electronic communications; we want you to be aware that this is an option for you to accept. We will never ask you for sensitive account information, such as, passwords, PINs, Social Security Numbers or account numbers via e-mail. If you receive an e-mail that appears to be from National Exchange Bank & Trust asking for this type of information, immediately forward the e-mail in its entirety (not as an attachment) to [www.nebat.com](http://www.nebat.com).

### **Statements**

Unless your account is a savings passbook account, or classified as a time deposit, we will mail or make available to you a statement of the account activity. Statements will be mailed to any one party to the account to the current address in our files, unless otherwise requested in writing or another method of delivery has been agreed to by us. We may mail one statement that combines account information for accounts which have the same mailing address in our files and either have owners with identical last names or are otherwise linked or related for purposes of obtaining some benefit. We may mail combined statements addressed to any one of you. If no transaction occurs other than the crediting of interest or if a statement is undeliverable, we reserve the right to discontinue mailing statements.

Except as otherwise required by law, all statements, notices, cancelled checks, and other materials shall be considered correct and all items listed on the statement shall be considered properly charged to an account unless you notify us of

any error. You must examine all statements, notices, cancelled checks, check images and other items promptly upon receipt. You must notify us of an unauthorized or missing signature or alteration within a reasonable time after we send or make available to you your statement or checks. If your account is a personal account, a reasonable time is not more than 30 days; if your account is a non-personal account, a reasonable time is not more than 14 days. You must also notify us of any other account problem, including an erroneous statement or passbook entry, unauthorized or missing endorsement or improper charges within 30 days of the date we mail or make available to you your statement and checks. These materials shall be deemed given when mailed by us.

Your failure to notify us within the specified time limits or to commence action against us within 90 days after notice to us will preclude you from asserting claims against us based on such checks, signatures, alterations, endorsements, charges or other problems. You also lose any claim against us on any later item paid after the reasonable time period but before we receive your notice if the item was signed or altered by the same party. If a passbook evidences your account, we will allow transactions on the account by any account owner, without presentment of the passbook. The passbook is for record-keeping purposes only and does not constitute a complete record of the account.

### **Check Safekeeping**

With Check Safekeeping, we retain your cancelled checks and do not return them with your account statement. If you select Check Safekeeping, or if your account is available only with Check Safekeeping, you agree that we may destroy your cancelled checks or any other evidence of debit or credit entries to your account and use reasonable care to maintain legible copies for seven years or any other period required by law. You may request a copy of a cancelled check and a service charge may be imposed for each copy provided. Our responsibility for furnishing copies of items is limited to those which are legible and available on microfilm or other media.

### **Checks and Forms Specifications**

All checks, withdrawal forms, deposit slips, and other documents used with your account must be on forms obtained through or approved by us. You agree to maintain adequate protection to ensure the authorized use of the forms you hold. We are not responsible for losses you may suffer because of improper printing on forms not obtained through or approved by us. We may refuse to accept for deposit or to process any check or other item that is presented to us in a form that cannot be processed or photographed using equipment that we regularly use during normal operations.

### **Relationship or Linked Accounts**

We offer certain checking accounts that may be "linked" to other accounts you have with us. As disclosed in the Checking Fee Schedule, the monthly service charge on your checking account may be waived based upon the relationship you maintain with us. You may only link accounts on which your name appears as an owner or obligor. At our discretion, we may impose restrictions on linking specific accounts you may have and limit the types and number of accounts that may be linked. You agree that any other owner or obligor on any of the accounts that are linked may receive information regarding your linked accounts.

### **Wire Transfers**

If any portion of any wire transfer from or to your account is carried through FedLine, our mutual rights and obligations will be governed by Regulation J of the Federal Reserve Board.

### **Security**

Protect your account numbers and electronic access devices provided for your accounts. Do not discuss or share information about your account numbers with anyone unless you are willing to give them full use of your money. If you provide your access device to someone and give them authority to make transfers and they exceed that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Contact us immediately if you feel your security device has been compromised.

Take precaution in safeguarding your blank checks and deposit tickets. Notify us at once if you believe they have been lost or stolen.

### **Successors and Assignments**

These Rules and Regulations shall be binding on your personal representative, executor, administrator, and successor.

### **Termination**

We may close your account at any time, with or without cause, and reserve the right to refuse withdrawals or transfers from the account except for the purpose of closing the account. You may close your account after giving us notice and a reasonable period of time to act on such notice. We may consider your account closed if you draw the balance to zero. You are responsible for any fees, charges or penalties and for the amount of any checks, ATM Card, point-of-sale, VISA

CheckCard, Exchange OnLine bill pay transactions and/or ACH transactions which are in process at the time your account is closed. You agree to hold us harmless for refusing to honor any withdrawal drawn on a closed account.

### **Amendments**

We may amend these Rules and Regulations at any time. We may amend the terms and conditions of your account at any time. Such change shall be effective upon notice mailed to you or posted in our lobby for a reasonable period of time or otherwise required by law. By maintaining your account after the effective date of a change, you agree to be bound by the change. A change in our interest rates, fees, or service charges is not an amendment to this Agreement. Your account may be subject to other terms printed on banking forms or agreements, posted in our premises, or enclosed with your account statements.

### **Check 21 disclosure notice**

Substitute Checks and Your Rights To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check.) The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees.)

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

**Claiming a Refund for a Loss Regarding a Substitute Check** If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

National Exchange Bank and Trust  
130 South Main Street  
Fond du Lac, WI 54936-0988  
(920) 921-7700

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

1. a description of why you have suffered a loss; (for example, you think the amount withdrawn was incorrect)
2. an estimate of the amount of your loss;
3. an explanation of why the substitute check you received is insufficient to confirm that you suffered a loss;
4. a copy of the substitute check (and/or) the following information to help us identify the substitute check; (identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check).

## Funds Availability Schedule

Our policy is to make funds from deposits of local checks available to you on the first business day after we receive your deposit, and to make funds from deposits of nonlocal checks available to you on the second business day after we receive your deposit. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for any checks you deposit that are returned unpaid.

For determining the availability of your deposits, every day is a business day except Saturdays, Sundays and legal holidays. If you make a deposit before 2:00 p.m., in person, on a business day we are open; we will consider that to be the day of our deposit. If you make a deposit after 2:00 p.m., or on a day we are not open, we will consider that the deposit to be made on the next business day we are open. A mail deposit is considered made when we receive it. Deposits made at our after-hour depositories after 7:30 a.m. on a business day will be considered received for processing on the next business day.

**Same Day Availability** Electronic payments, including direct deposit of Social Security and payroll will be available on the day we receive them.

**Next Day Availability** Funds from the following deposits are available on the first business day after the date of your deposit (if payable to the depositor):

- U.S. Treasury Checks, Wisconsin State and Local Government Checks, Federal Reserve Bank Checks, Federal Home Loan Bank Checks, U.S. Postal Money Orders
- Cashier's, Certified, or Teller's Checks (if you use a special deposit slip available from one of our tellers.)
- Checks drawn on us
- Cash
- Wire Transfers
- ATM deposits

**Availability of Other Check Deposits** The delay for other check deposits depends on whether the check is a local or a nonlocal check. To see whether a check is a local or a nonlocal check, look at the routing number on the check:

### Personal Check:

Customer Name/Address	_____	_____2000
Pay to the Order of	_____	\$ _____
	_____	Dollars
Bank Name	_____	
Address	_____	
123456789	000000000000	000

### Business Check:

Business Name/Address	_____	_____2000
Pay to the Order of	_____	\$ _____
	_____	Dollars
Bank Name	_____	
Address	_____	
000000	123456789	000000000000 000

If the first four digits of the routing number (1234 in the examples) are 0759, 2758, 0750, 2750, 0710, 2710, 0711, 2711, 0712, 2712, 0719 or 2719, the check is a local check. Otherwise, the check is a nonlocal check. Some checks are marked "payable through" and have a four or nine-digit number nearby. For these checks, use the four-digit number (or the first four digits of the nine-digit number), not the routing number on the bottom of the check, to determine if these checks are local or nonlocal.

**Local and Non-Local Checks** Our policy is to make funds from these checks available as follows:

**Local Checks:** All funds from a deposit of local checks will be available on the first business day after the day of your deposit.

**Nonlocal Checks:** The first \$100 will be available on the first business day after the day of your deposit. The remaining funds will be made available by the second day after the date of your deposit.

**Mixed Local and Nonlocal Checks:** If you deposit both categories of checks, the sum of the local checks or \$100 whichever is greater, will be available on the first business day after the day of your deposit, not \$100 from each category of checks.

**Certain Other Checks:** We can process nonlocal checks drawn on financial institutions in certain areas faster than usual. Therefore, funds from deposits of checks drawn on institutions in those areas will be available to you more quickly. Contact us for a list of the routing numbers for these institutions.

**Payable Through Checks:** In some instances we will treat checks as local or nonlocal based upon the location of the bank by which the check is payable, not on the routing number on the bottom of the check. For example, if a credit union share draft is payable by a credit union that is located in the same check processing region as our bank, the share draft will be treated as a local check, even if the draft is payable through a bank that is located outside of our check processing region as determined by the routing number on the check. If you have any questions about a specific check, please ask.

**Longer Delay May Apply** In some cases, we will not make all of the funds that you deposit by check available to you at the times specified. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. However, the first \$100 of your deposit will be available on the first business day after the day of your deposit.

If we are not going to make all the funds from your deposit available at the times specified, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances: We believe a check you deposit will not be paid. You deposit checks totaling more than \$5,000 on any one day. You redeposit a check that has been returned unpaid. You have overdrawn your account repeatedly in the last six months. There is an emergency, such as a failure of communication or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the fifth business day after the day of your deposit.

### **Special Rules for New Accounts**

If you are a new transaction account customer, we reserve the right to apply the following special rules during the first 30 days your account is open:

1. the first \$5,000 of a deposit of U.S. Treasury checks will be available on the first business day after the day of your deposit. The excess over \$5,000 will be available on the ninth business day after the day of your deposit;
2. funds from deposits of cash, wire transfers and the first \$5,000 of a day's total deposits of Cashier's, Certified, Teller's, Travelers, Federal and Wisconsin State and Local Government Checks will be available on the first business day after the day of your deposit, if payable to you and you have used a special deposit slip. The excess over \$5,000 will be available on the ninth business day after the day of your deposit;
3. if you do not make a deposit in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other checks deposited will be available on the ninth business day after the day of your deposits.

### **Hold on Other Funds**

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

### **Endorsement Requirements**

To help ensure that your check or draft is processed without delay, your entire endorsement (whether a signature or stamp) must be on the same end as the "pay to the order of" and within 1 1/2" of the edge of the check or draft. This includes additional endorsements and identification information.

It is important that you confine the endorsement information to this area as not to interfere with the clarity of interbank endorsements. Any liability that we incur as a result of your endorsement, a prior endorsement or information you have printed on the back of the check will be passed on to you. You agree that you will reimburse us for any expense we incur due to your failure to endorse an item exactly as drawn.

## Electronic Fund Transfer Disclosure and Electronic Fund Services

### Application of Rules

This disclosure governs the use of electronic fund transfer services (EFT services) we offer to consumers. By opening an account and using an electronic fund service, you agree to follow the Rules and Regulations that apply to that service. The Rules and Regulations apply to all persons who have access to a consumer account. Every person who can use the account is responsible for use of the Card, personal identification number (PIN), Access Code, or User Name and Password.

Transactions and accounts governed by this disclosure are subject to applicable federal and Wisconsin laws and regulations and any other rule or agreement governing or referring to the transactions or accounts, including but not limited to account agreements, Deposit Account Rules and Regulations, VISA CheckCard Rules, Funds Availability Rules, Depository Agreements and the Operating Rules of the National Automated Clearing House Association (N.A.C.H.A)

This disclosure statement applies if:

1. you are receiving direct deposits to your checking or savings account(s);
2. you have arranged to have regular payments made out of your checking or savings account to a third party;
3. you periodically request telephone transfers from your account(s), either via live operator or Exchange Line;
4. you have access to your checking or savings account(s) via an automated teller machine (ATM), VISA CheckCard or point-of-sale system;
5. you have access to your account(s) via Exchange Line, our automated telephone banking service;
6. you have access to your account(s) via Exchange OnLine, our Internet banking service;
7. you make a purchase or pay a bill using a check that is converted (Electronic Check Conversion) by the payee into an electronic fund transfer.

Transactions governed by this disclosure are subject to charges as defined in the applicable fee schedules. A description of each transaction governed by this disclosure is provided on your monthly statement. In addition you can get a receipt at the time you access your account using one of our ATMs or point-of-sale terminals.

### Acceptable ATM (Automated Teller Machine) Card Transactions

Depending on which type of account(s) you have arranged to associate with your ATM Card or VISA CheckCard, you may use your Card and/or PIN to:

1. withdraw cash from your checking or savings account(s);
2. make deposits to your checking or savings account(s) at any full service ATM in Wisconsin;
3. transfer funds between your checking and savings account(s);
4. pay for purchases from your checking account at locations that have agreed to accept the Card;
5. make loan payments to us;
6. purchase non-cash items dispensed out of an ATM;
7. determine your designated checking and savings account balances.

Your ability to perform the transactions above depends on the location and type of ATM you are using and the EFT network through which the transaction is being performed. A specific ATM or EFT network may not perform or permit all of the above transactions. For instance, you may not make a deposit at a cash dispense only ATM or an ATM located outside Wisconsin.

By retaining a National Exchange Bank & Trust ATM Card or VISA CheckCard, you agree:

1. the Card remains our property and will be surrendered immediately to us upon request;
2. we may cancel your Card at any time without notice;
3. to notify us promptly in writing of the loss of your Card; (Refer to the Liability Section.)
4. we have the right to refuse a transaction on your account when your Card has been reported lost or stolen or when we believe there is unusual activity on your account;
5. if you use your Card to access an account that is no longer available to complete a transaction, we may, at our discretion, charge or credit another account for the transaction;
6. we are not liable for any personal injury or tangible property damage suffered or incurred by you through use or attempted use of the Card at any terminal;
7. to abide by the Rules and Regulations of the bank relating to the use of your card.

## **Limits on ATM Card Transactions**

1. When using your ATM Card or VISA CheckCard at an ATM, the maximum withdrawal amount is \$300 or five transactions per day (we may adjust this amount on a case by case basis, some accounts may be less.)
2. When using your ATM Card or VISA CheckCard at a point-of-sale terminal, the maximum purchase amount is \$500 or five transactions per day. Point-of-sale transactions are charged to your checking account. If permitted by the merchant, you may withdraw cash in conjunction with a purchase;
3. When making purchases with your VISA CheckCard at a merchant location, the maximum purchase amount is \$1,000 or ten transactions per day. VISA CheckCard purchases are charged to your checking account;
4. When performing a cash advance transaction with your VISA CheckCard, the maximum withdrawal amount is \$500 or five transactions per day. VISA CheckCard cash advance transactions are charged to your checking account;
5. We may adjust the above amounts on a case by case basis.

The maximum withdrawal amount at ATMs owned or operated by National Exchange Bank & Trust is \$300 per transaction. ATMs that we own or operate are identified as our machines. Additional withdrawal limits may apply for withdrawals performed at an ATM owned by another financial institution. Transactions performed at an ATM not owned or operated by us may be subject to a surcharge assessed by the terminal owner.

## **Acceptable Exchange Line Transactions**

Depending upon the account(s) you have with us, and the way they are titled, using your Access Code you may use Exchange Line to:

1. transfer funds between your checking and savings account(s);
2. receive deposit account information, including the account balance and identification of withdrawals and deposits;
3. determine the current interest paid to date and the previous year's interest paid on your account(s);
4. receive information about your loan account(s).

## **Acceptable Exchange OnLine Transactions**

Depending upon the account(s) you have with us and the way they are titled, upon request, with Internet access and with your User Name and Password, you may perform the following transactions using Exchange OnLine, as well as the above listed Exchange Line transactions via the telephone:

1. check account balances;
2. transfer funds between account(s);
3. make payments from your deposit account(s) with us to your loan account(s) with us;
4. view account transactions;
5. receive answers to your banking questions through e-mail.

## **Acceptable Exchange OnLine Bill Pay Transactions**

With Exchange OnLine Bill Pay you may perform the following transactions:

1. pay bills electronically from your checking account;
2. send payments to anyone in the U.S.;
2. review payment history.

You may not use Exchange OnLine Bill Pay to pay taxes or other payments to governmental agencies or pay court-directed alimony or support.

## **Limits on Preauthorized Transactions**

Under federal regulation, no more than six preauthorized, automatic, telephone, or electronic transfers may be posted to each of your savings or money market accounts each month. Three of the six may be by check, draft, ATM Card, VISA CheckCard, or similar order to third parties, including a transfer using a Card at a point-of-sale terminal. If a transfer from your account will cause you to exceed these limits, we may not execute the transfer. There are no other limitations on the amount or frequency of authorized transfers to or from your accounts. Transactions conducted with a Card at an ATM do not count toward these limitations.

## **Deposits and Payments**

All checks or drafts which we authorize through an ATM terminal for deposit or payment are subject to our current funds availability schedule, and the credits will be reversed if the checks or drafts are not paid. All deposits and payments are received subject to our verification. If the reversal to a deposit account overdraws the account, we may charge all or part of the deficiency to another account with us of any authorized user of the Card unless the charge results in an extension of credit. You agree to pay us any delinquency which cannot be paid out of such accounts.

A deposit may consist of a transfer from another account, cash, or a completed negotiable instrument payable in U.S. dollars, dated within six months of the attempted deposit, drawn by or properly endorsed by you and the amount of which does not violate any restriction on the instrument. The amount of a deposit must not be in excess of any limitations placed by the ATM terminal or ATM terminal operator.

To obtain authorization of a check or draft, it must be payable to the order of an authorized user of the Card, properly endorsed, payable in U.S. dollars, dated within six months of the transaction date, not in violation of any stated restriction on the check or draft (for example, not valid after 30 days), and for an amount that does not exceed any limitations imposed by the ATM terminal or ATM terminal operator.

Neither a terminal operator nor we are liable to you if a transaction is not completed and you have violated any stated rule.

#### **Authorization to Debit or Credit Account**

Each time your Card is properly used you authorize us to debit or credit your account (whichever is appropriate) for the total amount shown on any sales draft, withdrawal order or credit voucher originated by the use of the Card, whether or not signed by you, and we are permitted to handle such sales drafts, orders and vouchers in the same way we handle authorized checks drawn on your account.

#### **Multiple Party Accounts**

Each person who is party to a joint account appoints each other as attorney with the power to appoint one or more agents with power to use the Card to make withdrawals from such account. Each joint owner shall indemnify us for any tax we may be required to pay under Wisconsin statutes by reason of withdrawals or payments from the account, after the death of a joint owner, to any person or to the survivor in the case of a joint account.

#### **Business Days**

Our business days are Monday through Friday. Legal holidays are not included. The business day cut-off time for Exchange OnLine transactions is posted on the Exchange OnLine Web site. Transactions performed after that time (or any time on a weekend or legal holiday) are treated as though they were performed on the next business day.

#### **UNAUTHORIZED USE**

##### **Personal Identification Numbers (PINs), Access Codes, User Names and Passwords**

We will issue to you a PIN to access your account(s) using an ATM Card, an Access Code to access your account(s) using Exchange Line, and/or a User Name to access your account(s) using Exchange OnLine, along with your initial password. You may receive more than one security device, depending upon the number of services you have requested, and the level of security required in connection with a service.

You are responsible for any transaction you make with your Card, PIN, Access Code, User Name and Password. You are responsible for any request or transaction made by someone else to whom you have given your Card, PIN, Access Code, or User Name and Password until you notify us that the person no longer has your permission to use them and we have been given a reasonable opportunity to act on the notification.

You shall be obligated to us for the amount of any money, property or services obtained by authorized use of the Card, to the extent that we are unable to charge such amount to the account designated by you and you authorize us to charge the amount of any such obligation to any other account(s) with us of any authorized user of the Card.

Upon receiving the security device, you agree to:

1. Not give the PIN, Access Code, User Name or Password to anyone other than those whom you wish to have access to your account. If anyone uses your security device with your permission, you will be responsible for the charges made to the account.
2. Safely keep the security device. Do not record the PIN, Access Code, User Name or Password or otherwise disclose or make them available to anyone other than an authorized user. We are authorized to provide information relating to your accounts to anyone accessing the accounts with the correct security device.
3. Tell us AT ONCE if you believe that your Card, PIN, Access Code, User Name or Password is lost or stolen.
4. Change your Access Code and Password from time to time.
5. Maintain the security device in accordance with these instructions.

**Liability**

Telephone us AT ONCE if you believe that your ATM Card, CheckCard, PIN, Access Code, User Name or Password is lost or stolen or someone has transferred money or may transfer money from your account without your permission. Telephoning is the best way of keeping your possible losses to a minimum. You could lose all the money in your accounts (plus your maximum related line of credit providing overdraft protection, if any.)

You can lose no more than \$50 if someone uses your ATM Card or CheckCard and PIN at a terminal without your permission.

You can lose no more than \$50 if someone uses your Access Code for Exchange Line or User Name and Password for Exchange OnLine without your permission and you tell us within two business days.

You are not subject to the two business day requirement for unauthorized purchases of goods or services made with your VISA CheckCard. However, if we can show you knew of the loss of your VISA CheckCard or PIN and did not notify us and we can prove we could have stopped the unauthorized transactions if you had told us you may be liable for all or part of the loss.

If you DO NOT tell us within two business days after you learn of the loss or theft of your Card, PIN, Access Code, User Name or Password and we can prove we could have stopped the unauthorized transactions if you had told us, you could lose as much as \$500.

General If your statement shows a transaction you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may be liable for the amount involved in the transaction after 60 days if we can prove that we could have prevented the transaction 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.

**Address and Telephone Number**

Contact us immediately if you believe your Card, PIN, Access Code, or User Name and Password is lost or stolen.

National Exchange Bank & Trust  
ATTN: Account Services  
P. O. Box 988  
Fond du Lac, WI 54936-0988  
Telephone (920) 921-7700  
FAX (920) 906-6996  
E-mail address bank@nebat.com

Exchange OnLine customers can e-mail us at bank@nebat.com or can call us at (920) 921-7700.

To report a lost or stolen VISA CheckCard after our regular business hours, please call 1-800-236-2442.

**PREAUTHORIZED WITHDRAWALS****Right to Stop a Preauthorized Withdrawal and Procedure for Doing So**

You can stop any regular payment taken out of your accounts that you have preauthorized with us. Please contact us at the telephone number or address provided in this disclosure in time for us to receive your request three business days or more before the payment is scheduled to be made. If you use Exchange OnLine, you may communicate with us by e-mail as described in this Agreement. If you call or send an e-mail message, we may require you to put your request in writing and get it to us within 14 days after you communicate with us. If you order us to stop one of these payments 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 to the extent provided by law. You may be charged the current stop payment fee for each stop payment order you give us.

**Overdrafts/Credit Account**

Each withdrawal or transfer from an account is an order to us to pay from that account at that time, which we may charge against the account even though the charge creates an overdraft. If you overdraw your account, you agree to immediately pay us the overdrawn amount, together with the applicable fees. If the account is maintained in connection with a Personal Line of Credit, any overdraft will be made in accordance with the Personal Line of Credit Rules governing the account rather than this Agreement. The time required to charge or credit your account after you use your ATM/VISA CheckCard will depend on the location of the terminal and the type of transaction.

**Disclosure of Charges**

You are responsible for the charges, if any, ordinarily associated with your account or electronic transfer service, such as maintenance and/or check and withdrawal charges, as described in the fee schedules which may be amended from time to time. We may automatically deduct these fees from your account or a related account even if they create an overdraft. A surcharge may be imposed on an ATM transaction, whether owned by us or not.

Unless the account rules specify otherwise, any automatic withdrawal or withdrawal through Exchange Line or Exchange OnLine will be subject to any charge which would be imposed upon a non-electronic withdrawal.

**Notification of Change (NOC)**

We reserve the right to pass on to you any charges we may incur associated with your failure to notify us of any changes required to properly complete an automated clearing house (ACH) transfer initiated by you.

**CREDITS/ADJUSTMENTS****Credit Transfers**

Credit transfers executed through an automated clearinghouse association are provisional on the settlement date. We, along with any other banks processing such transfers, may rely on the number in the payment order that identifies the beneficiary even if it identifies a party different from the party named as beneficiary. If, in connection with a direct deposit plan, we deposit any amount to your account that should have been returned to the U.S. Treasury or other payor, you authorize us to deduct such amount from any of your accounts at any time without prior notice. We may also use any other legal remedy to recover such amount.

**Goods or Services Purchased**

We are not responsible for the refusal of any person to honor your Card. If a merchant accepts your ATM or VISA CheckCard in payment of goods or services, and you receive credit for goods returned or adjustments, such party will send us a credit entry. We will apply the credit entry to your account. We will not make cash refunds to you on purchases made with your Card. Unless your use of the Card results in a loan from us to you, you must raise any claim or defense with respect to goods or services purchased with your Card directly with the party that honored the Card.

We are not responsible for any goods or services you purchase with the Card except when the Card is used as a credit card and (a) the purchase was made in response to an advertisement we sent to you or participated in or (b) the purchase cost \$50 or more and the transaction occurred in the same state as, or within 100 miles of, your address to which statements are sent.

**Foreign Transactions**

If your Card is used to effect a transaction in a foreign currency, the transaction will be converted to U.S. dollars by VISA International. VISA converts foreign currency to U.S. dollars using either the government-mandated exchange rate or the wholesale exchange rate in effect one day before the date of the conversion, as applicable. A separate fee of 1% is charged if the conversion is made in connection with a charge to an account and subtracted if the conversion is made in connection with a credit to an account. The date of conversion by VISA may differ from the purchase date and the posting date identified in the monthly statement for the account. You agree to pay charges and accept credits for the converted transaction amounts in accordance with these terms.

**Chargebacks**

We shall, upon receipt of written or oral notice from you within three business days of a transaction, reverse the transaction and credit your account if the transaction:

1. involves a sale of goods or services which is paid for directly through a point-of-sale terminal using a Card and PIN;
2. involves a transfer of \$50 or more from a deposit account;
3. does not involve a check or draft.

This right of chargeback does not apply to purchases of goods or services using your VISA CheckCard and processed through the VISA network. Contact us with the pertinent information at the telephone number or address provided in this disclosure.

**Right to Stop Payment**

You are not permitted to stop payment on any purchase or withdrawal originated by use of the Card, and we have no obligation to honor any such stop payment request by you.

**Preauthorized Credits** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (920) 921-7700 or the Exchange Line at 1-800-707-2265 (BANK) to find out whether or not the deposit has been made.

## **RECORDS**

### **Terminal Transfers**

You may get a receipt at the time you make any transfer to or from your account using a terminal.

### **Periodic Statements**

You will get a monthly account statement, unless the only type of electronic transfer that you receive is a preauthorized deposit to your savings account, or you have agreed to a different statement cycle. Your regular monthly account statement will reflect each transaction, transfer, purchase and cash withdrawal charged to your account, and each credit applied to your account during the monthly account cycle and the related fee, if any. You will get a quarterly statement if there are no transactions in a particular cycle.

**Passbook Accounts** The only possible electronic funds transfer allowed with a passbook account is a preauthorized credit. If you bring your passbook to us, we will record any electronic deposits that were made to your account since the last time you brought your passbook in.

### **Disclosure of Information to Third Parties**

We may disclose information about you, your account, or transactions on your account:

1. if it is necessary for completing applications, transactions and transfers authorized by you;
2. to verify the existence and condition of your account for a non-affiliated third party, such as a credit bureau or merchant;
3. to comply with a government agency or court order or with the request of a federal regulation;
4. you request or authorize that the information be revealed;
5. the disclosure is otherwise lawfully permitted or required.

To resolve payment-posting problems involved with Exchange OnLine, we may disclose account information to the service, and the service has the right to obtain and disclose information regarding your account or transactions on your account to a payee or financial institution.

## **LIABILITY FOR FAILURE TO MAKE PAYMENTS AND TRANSFERS**

If we do not complete a payment or transfer to or from your account, or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of our own, your account does not have enough funds to make the payment or transfer.
2. If the payment or transfer would exceed the credit limit on your related line of credit (Personal Line of Credit), if any.
3. If circumstances beyond our control (such as fire, flood, or power failure, etc.) prevent the payment or transfer, despite reasonable precautions we have taken.
4. If you attempt a transaction without use of the Card and insertion of the correct PIN, furnished by us.
5. If you attempt a transaction in connection with a closed account, or you have money in your account but the funds are uncollected or subject to legal process or other encumbrance.
6. If the terminal where you are making the withdrawal does not have enough cash.
7. If the terminal, transfer system, your equipment or communications link is not working properly and you knew about the breakdown when you attempted to make the transfer or, in the case of an automatic or recurring payment or transfer, at the time such payment or transfer should have occurred.
8. If the Payee mishandles or delays posting a payment or refuses or is unable to accept a payment.
9. If the transaction is not initiated in time for us to complete it as agreed, as otherwise provided in our agreements with you, or by federal regulation.
10. If incomplete or inaccurate information is forwarded by the U.S. Treasury or through an automated clearinghouse.
11. For any computer failure or acts or delays by any carrier, agent, or other third party operating between us and you, or any other cause beyond our control.
12. If your subscription to the service has been terminated for any reason.
13. If you have not provided the service with the correct name, address, or account information for the Payee.
14. There may be other exceptions stated in our agreement with you or provided by law.

In the event none of these circumstances are applicable, if our service causes an incorrect amount of funds to be removed from your account, or causes funds from your account to be directed to an improper person, we shall be

responsible for returning the improperly transferred funds to your account and for directing any previously misdirected payments or transfers to the proper Payee.

OUR RESPONSIBILITIES FOR LATE CHARGES AND INCORRECT OR MISDIRECTED TRANSFERS OR PAYMENTS SHALL CONSTITUTE OUR ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT SHALL WE 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 USE OF THE SOFTWARE OR SERVICES.

### **IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS**

Call or write us if you need more information about an electronic transfer or if you think your statement or receipt is wrong. Instructions on how to contact us are provided in this disclosure. We must hear from you no later than 60 days after we send you the FIRST statement in which the problem or error appeared.

1. Tell us your name and account number.
2. Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe it is in error or why you need more information.
3. Tell us the dollar amount of the suspected error.

If you use Exchange OnLine, you may e-mail us at [bank@nebat.com](mailto:bank@nebat.com) or call (920) 921-7700.

If you tell us verbally or send an e-mail message, we may require that you send your complaint in writing within ten business days.

We will determine whether an error occurred within ten business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate the complaint or question. If we decide to do this, we will credit your account within ten business days (five business days for a VISA CheckCard point-of-sale transaction) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten business days we may not credit your account.

The ten day periods in the preceding paragraph may be extended to 20 business days if the error involves a transfer to or from the account within thirty days after the first deposit to the account was made.

If the error involves an electronic transfer from your account to buy goods or services direct from a merchant, a transfer initiated outside of the United States or a transfer that occurred within 30 days after the first deposit to the account was made, the 45 day time period to investigate your complaint or question will be 90 days.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of documents that we used in our investigation.

### **EXCHANGE ONLINE BILL PAY SERVICE**

#### **Exchange OnLine Payment Scheduling**

You authorize the bill payment service to follow the payment instructions that it receives through Exchange OnLine bill payment system. When the service receives a payment instruction, you authorize it to charge your designated checking account with us on the dates you schedule or up to two business days later and initiate payments on your behalf to payees designated by you. Usually, the payees should receive the payments within one to three business days after your account is charged.

The date the payee credits a payment depends upon the payee's payment processing procedures, the specific requirements for payments and delays in the payees receiving a payment. We will not be responsible for delays in crediting payments which are the result of these procedures. Nor will we be responsible for your failure to follow a payee's payment requirements, your failure to schedule a date to initiate sufficiently in advance of the date a payment is due, delays in any mail service or other exceptions stated in this Agreement.

For these reasons, we recommend that you schedule the date(s) to initiate payments a minimum of five business days in advance of the date the payment is actually due.

If you follow the procedures described in this Agreement and help screens or instructions and the service fails to send a payment within two business days of charging your account, we will reimburse you for a late charge penalty (\$50

maximum) assessed by a payee. In any other event, you assume the risk incurred and the responsibility to pay any and all late charges or other damages or penalties.

You authorize the service to make payments by electronic, paper or other means we think are appropriate.

The service reserves the right to refuse to pay a payee if your account has insufficient funds, you attempt to make tax or court related payments, a payee refuses to accept a payment or other good cause.

### **Exchange OnLine Payment Deletion for Non-Processed Payments**

You may delete a current payment (a payment you schedule to initiate the next time you transmit payments) up to the time specified on the Exchange OnLine site. You may delete a future payment (a payment you schedule to be initiated within the next 45 days) or a recurring payment (a payment you schedule to initiate weekly, semi-monthly or monthly) up to the time specified on the site at least one business day prior to the date to initiate or two business days prior to the date to initiate if the date to initiate is a Saturday, Sunday or legal holiday. (Remember: modification of a recurring payment or transfer instruction will affect all future payments or transfers associated with that payment or transfer.)

### **Exchange OnLine Unauthorized Transfers**

An "unauthorized transfer" is a transfer by a person who does not have actual, implied, or apparent permission, and is a transfer that does not benefit you. A transfer by a joint account holder or other person with an interest in your account is not an unauthorized transfer. You will not be liable for unauthorized transfers except as explained in this Agreement.

### **MISCELLANEOUS EXCHANGE LINE AND EXCHANGE ONLINE RULES**

1. Accounts involved in a preauthorized transfer may be solely owned and/or jointly held, i.e., both accounts must share one common account holder. However, at our discretion, we may accept an authorization to provide online access and transfer funds to or from accounts other than solely owned or jointly held.
2. We shall have no duty to verify the identity of a person using a valid access code to transfer funds or obtain information.
3. You agree that anyone with an ownership interest in your account may access your account, unless we have written instructions that advise otherwise.
4. You agree to indemnify and hold us harmless against any claims, demands, costs or expenses, including reasonable attorney's fees, resulting from or arising out of the service, except as otherwise prohibited by law.
5. Transfer requests will be accepted at any time provided all systems are operational. The transfer will be posted on a business day during regular processing hours.
6. You agree to comply with the requirements of any help screens, instructions, online demonstrations, or other online user terms and conditions, as modified from time to time.
7. Your checking account statement will contain information about transfers or bill payment transactions that you have performed during the statement period.

### **AMENDMENTS/TERMINATIONS**

#### **Amendments**

We may amend these Rules and Regulations at any time, subject to applicable requirements of law regarding prior notice. Any changes will be effective upon the date indicated in the notice. Any use of the accounts after we send you a notice of change will constitute your agreement to such change.

If required by law, we will send Exchange OnLine users written or electronic notice of change to the last address provided to us before the effective date of change, unless immediate change is necessary to ensure the security of the banking service or your accounts. We may revise or update the bill payment programs, services and/or related material and these changes may make prior versions obsolete. We reserve the right to terminate your Agreement as to all such prior versions of the bill payment programs, services or related material and limit access to the service's more recent revisions and updates.

#### **Termination**

Any one person who is authorized to use the accounts accessible with the Card, PIN, or Access Code may contact us at the address or telephone number printed in this Agreement to terminate the service. We may terminate your privilege of using an ATM Card, VISA CheckCard, PIN, or Access Code and may withhold approval of any transaction at any time. The Card is our property and shall be surrendered by you upon request and regardless of who terminates the Card privileges. Termination shall not affect the rights and obligations of the parties for transactions made with the Card, PIN, and Access Code before the privileges are terminated.

In the event you wish to discontinue the Exchange OnLine service, contact us in writing ten business days prior to the actual discontinuance date. Since cancellation requests take up to ten days to process, you should also cancel all outstanding payment or transfer orders. We will not be liable for payments or transfers made due to the lack of proper notification by you of service termination or discontinuance for any reason. You will be responsible for making arrangements to pay any future or recurring payments upon termination. Neither termination nor discontinuance shall affect your liability or obligation under this Agreement.

If you do not access your account via Exchange OnLine for 90 days, your access may be rescinded.

#### **RULES FOR NON-PERSONAL ACCOUNTS WITH ELECTRONIC SERVICES**

1. When making a deposit at an ATM, you agree to only use an ATM owned or operated by us.
2. You agree to notify us immediately (followed by written notice) of any user of a Card or Access Code who is no longer employed by you or authorized to conduct business on your behalf.
3. You agree to help us in the investigation and prosecution of claims for unauthorized transactions by completing the appropriate documentation.
4. You agree that by allowing anyone to use your Card, PIN, or Access Code, you will be responsible for all authorized or unauthorized transactions made with the Card or security device.
5. You agree to change the Access Code from time to time, but in every case when any employee who knows the Code terminates employment.
6. You release us of all responsibility and liability for failure or refusal to make a transfer requested through Exchange Line or for damage caused by an unauthorized person who has access to the Code, consistent to these Rules and Regulations.
7. You agree to hold us harmless against any claims, demands, costs or expenses, including reasonable attorney's fees, resulting from or arising out of the Exchange Line service, except for our failure to exercise ordinary care, or as otherwise prohibited by law. Ordinary care, as used in these Rules, shall mean the reasonable commercial standards of the banking industry.

#### **Privacy Policy**

National Exchange Bank & Trust is committed to providing you with the best service possible and respects your right to privacy. Our goal is to protect your information in all the ways that we interact with you: in our offices, at ATMs, via the telephone, via the Exchange Line, via Exchange OnLine and our Web site.

This statement describes how we keep consumer information private. Our practices for commercial transactions, corporations, trusts, organizations and their employees reflect the same concern for privacy; however, commercial privacy issues are not necessarily the same as those outlined in this statement.

#### **Collection and Use of Personal Information**

National Exchange Bank & Trust collects, retains and uses information about our customers only to enable us to conduct our business and to provide products, services and other opportunities to you. If you do provide us with nonpublic personal information we will not disclose (share, sell or divulge) it to non-affiliated third parties or our affiliates unless:

1. if it is necessary for completing applications, transactions and transfers authorized by you;
2. to verify the existence and condition of your account for a non-affiliated third party, such as a credit bureau or merchant;
3. to comply with a government agency or court order or with the request of a federal regulation;
4. you request or authorize that the information be revealed;
5. the disclosure is otherwise lawfully permitted or required.

The bank requires all non-affiliated third parties with a business need to access this information to adhere to similar and equally stringent privacy policies.

You can browse our Web site without giving us any personal information about yourself. Whenever you browse our site, certain information about you is recorded by our National Exchange Bank & Trust servers. This information is used primarily to provide an enhanced online experience. Information tracked may include, but is not limited to, the type of operating system in use (e.g. Macintosh, Windows), the domain name and the type of browser being used (e.g. Netscape, Internet Explorer, etc.) This information may be used in internal reviews of the number of visitors to the site, but only in an aggregate and non-personally-identifiable form. E-mail addresses and other personally identifiable data about visitors to this site are known only when voluntarily submitted.

**Accuracy of Customer Information**

We continually strive to maintain complete and accurate information about you and your accounts. Should you ever believe that our records contain inaccurate or incomplete information about you, please notify us. We will investigate your concerns and correct any inaccuracies.

**Security Measures to Protect Customer Information**

We safeguard information according to established security standards and procedures and we continually assess new technology for protecting information. Our employees are trained to understand and comply with these information principles.

**Limitations on Employee Access to Information**

Each National Exchange Bank & Trust employee is required to follow our company's "Business Ethics and Code of Conduct" which state that all customer information is considered private and privileged and is to be used solely for the purpose of providing you with the finest service available.

**Customer Inquiries**

National Exchange Bank & Trust recognizes and respects the privacy of our customers. We want our customers to understand our commitment to privacy in our use of customer information. As a result of our commitment, we have developed this Privacy Policy to be made readily available to our customers. Customers who have questions about this policy or the privacy of their customer information should call us at 1-920-921-7700, e-mail us at [bank@nebat.com](mailto:bank@nebat.com) or send your request to National Exchange Bank & Trust, PO Box 988, Fond du Lac, WI 54936-0988.

We reserve the right to change this policy at any time by posting a new privacy policy.

**Notice of relationship**

The companies listed below are related to one another as subsidiaries of NEB Corporation, 130 S. Main Street, Fond du Lac, WI 54935. If you are a customer of any one of them, you may not be compelled to buy any service from any of the related companies in order to participate in any transaction with one of them.

If you feel that you have been compelled to buy any product or service from any related company in order to participate in any transaction, you should contact the management of either company at either of the addresses listed. You may also contact the Office of the Secretary of the Department of Financial Institutions at P. O. Box 7876 Madison, WI 53707-7876.

**Subsidiaries**

National Exchange Bank & Trust  
130 S. Main Street  
Fond du Lac, WI 54935

American Bank  
676 W. Johnson Street  
Fond du Lac, WI 54935

09/05