



LEE BANK

**Lee Bank Electronic Banking Services Agreement
Internet Banking – Telebank – Bill Payer**

Overview

This Agreement describes the terms and conditions as a user of Electronic Banking Services (Online Banking, Telebank, and Bill Payer). Please read this Agreement carefully. As an authorized account holder you must abide by the terms and conditions of this Agreement, and those provided to you at account opening, in order to use this service.

Lee Bank's Electronic Banking Services allow customers to perform a wide range of financial transactions. This Agreement explains the terms and conditions of Lee Bank Electronic Banking Services. All electronic transactions are also subject to the Lee Bank Truth-In-Savings, Funds Availability, Electronic Funds Transfer Agreements, and Privacy Policy.

Definitions

"Online Banking" is the Internet access to your accounts described in this Agreement.

"Telebank" is the touch-tone telephone access to your accounts described in this Agreement.

"We", "Us", "Our", or "Bank" refer to Lee Bank, which offers the services provided under this Agreement and holds the accounts accessed by the service.

"You" or "Your" refers to any signer on an account.

"Business Day" refers to any day except Saturdays, Sundays, and Federal Holidays.

Access

Access to Lee Bank Electronic Banking Services requires an eligible Lee Bank Account and a Password.

You will also need:

- Personal Computer (PC) with Internet access
- Microsoft Internet Explorer 6.0 (or greater) or Netscape Communicator 6.1 (or greater)
- 128-bit encryption for system security
- Screen resolution should be set to 800 X 600

Lee Bank provides online instructions for Online Banking and Bill Payer services.

Password

You will be given an online Password that will give you access to your Lee Bank accounts both through Online Banking and the touch-tone telephone service (Telebank). The password can be changed within the Online Banking or Telebank systems. Lee Bank is entitled to act on instructions received under your password. For security purposes, it is recommended that you memorize this online password and do not write it down. You are responsible for keeping your password and account data confidential; this information should not be shared or disclosed to another person. For security purposes, Lee Bank recommends that you change your password periodically.

Lee Bank will assign a random 4-digit Password. You should change this password during your initial Telebank session. You will be required to change your password during your initial Online Banking session. The Online Banking password must consist of an alpha/numeric combination of at least six (6) digits. This password is case sensitive, so it is important to remember how you input your initial password. No Lee Bank representative will ever call and ask for your Password.

Enhanced Online Security

Enhanced Online Security is an additional layer of security to our log in process for internet banking. This helps to ensure that your information is secure, protecting you from fraud and identity theft. It verifies your identity in two ways. Every time you log in to Online Banking, the bank identifies you, and it lets you identify the bank using a secret image and pass phrase. You will automatically be prompted to the enrollment screen when you log in to Online Banking.

Limitations on Funds Transfers From Money Market Checking and/or Savings Account

Pursuant to Federal Regulations, you are limited to the number of certain transactions you can make on your Savings and/or Money Market Checking Accounts.

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For Savings Accounts, you may make no more than six (6) transfers to another account or to a third party by preauthorized, online transfers, automatic transfers, telephone transfers, fax requests, and ACH (Automated Clearing House) transactions per month.

For Money Market Checking Accounts, you may make no more than six (6) transfers to another account or to a third party by preauthorized, online transfers, automatic transfers, point of sale (POS), telephone transfers, fax requests, and ACH (Automated Clearing House) transactions, of which six (6) may be checks, per statement cycle.

Online transfers are transactions between accounts initiated through Telebank or Online Banking. Telephone transfers are transfers between accounts initiated by a personal telephone call. Preauthorized withdrawals are transfers made according to a specific agreement between a customer and us or another party (e.g. electronic payments to health clubs, insurance companies, etc.). Check access refers to any checks you write on your Money Market account.

Limit of Lee Bank's Liability

Lee Bank is not responsible for any fees incurred for telephone charges and Internet access, or for any computer virus or related problems that may be attributable to services provided by any Internet service provider.

You are responsible for obtaining, installing, maintaining, and operating all computer hardware and software necessary for using Lee Bank's Electronic Banking Services. All reasonable steps must be taken to protect the computer hardware and software, including ensuring that the computer is free of viruses. Lee Bank will not be responsible for any errors or failures from the malfunction or failure of your hardware or software.

We will not be responsible for actual losses if they were directly caused by:

- Through no fault of Lee Bank, you do not have enough money in your account to make the transfer
- Through no fault of Lee Bank, the transaction would have caused you to exceed your available credit
- Circumstances beyond our control (e.g. fire, flood, power outage, equipment or technical failure or breakdown) prevent the transfer, despite reasonable precautions we have taken
- There is a hold on your account, or if access to your account is blocked in accordance with banking policy
- Your funds are subject to legal process restricting the transfer
- We have received incomplete or inaccurate information from you involving the account or transfer

If any of the circumstances listed above shall occur, we shall assist you with reasonable efforts in taking appropriate corrective action to reprocess the transactions that may have not been completed or to correct incorrect transactions that have been processed.

Lee Bank's Liability

Except as specifically provided in this Agreement or where the law requires a different standard, you agree that neither Lee Bank nor the service providers shall be responsible for any loss, damage or bodily injury, whether caused by the equipment, software or Lee Bank. Lee Bank or the service providers will not be responsible for any direct, indirect, economic, or other damages arising in any way out of the installation, use, or maintenance of any equipment or software.

Hours of Accessibility

You can access your Lee Bank accounts through Online Banking or Telebank seven days a week, 24 hours a day. However, at certain times, some or all services may not be available due to system maintenance. During these times you may use any ATM or any Lee Bank branch to conduct your transactions.

A transaction initiated before 4:00 PM (Eastern Time) on a business day is posted to your account on the same day. All transactions completed after 4:00 PM (Eastern Time) on a business day or on a Saturday, Sunday, or banking holiday will be posted on the next business day.

Documentation

To comply with Federal Regulations, you will continue to receive your regular account statement on a monthly basis.

Bill Payer Services

The Lee Bank Bill Payer Service allows you to schedule bill payments through Online Banking or Telebank. You may pay any merchant or individual (vendor). It is your responsibility to provide complete and accurate information detailing the vendor and payment information. Should a payment be returned to the Bank for insufficient or inaccurate information, the payment amount will be re-deposited to your account. You will then be responsible for correcting the vendor/payment information before the payment can be processed again.

By furnishing Lee Bank with the names of your merchants or individuals and their addresses, you authorize Lee Bank to follow the payment instructions to these vendors. When Lee Bank receives a payment instruction (for the current or future date), they will remit funds to the vendor on your behalf, from the funds in your selected account on the day you have instructed them to be sent (Payment Date). However, Lee Bank shall not be obligated to make any such payment unless your account and/or overdraft protection plan has sufficient funds or credit availability to pay the bill on the Payment Date. Funds for all bill payments will be withdrawn from your account ON THE DAY the payment is scheduled TO BE SENT TO THE PAYEE.

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NOTE: Any payments made with the Bill Payer Service require sufficient time for your vendor to credit your account properly. To avoid incurring a finance charge or other charge, you must schedule a payment sufficiently in advance of the due date of your payment. When you schedule payments:

PLEASE SCHEDULE THE PAYMENT AT LEAST 5 FULL BUSINESS DAYS PRIOR TO THE DATE THE PAYMENT IS DUE AT YOUR VENDOR.

Lee Bank will not process a bill payment if:

- there are insufficient funds or credit availability in your designated payment account and/or overdraft protection plan
- a legal order directs us to prohibit withdrawals from the payment account
- the payment account is closed or frozen
- any part of the electronic fund transfer system is not working properly

If Lee Bank does not properly complete a bill payment on the day and for the amount directed by you, Lee Bank will pay any late fees or finance charges as long as your account was in good standing with the vendor prior to this incident.

Lee Bank shall not be responsible for any charges imposed or any other action taken by a vendor resulting from a payment that you have not scheduled properly, including any applicable finance charge or late fees. In addition, Lee Bank will not be liable if any third party through whom any bill payment is made fails to properly transmit the payment to the intended vendor.

Lee Bank will not be liable for indirect, special, or consequential damages arising out of the use of the Bill Payer Service.

If you choose to use the Bill Payer service through Telebank, you must contact the Bank to establish your Vendor list before your initial transaction.

Office of Foreign Asset Control

Under the Bank Secrecy Act, the Bank is prohibited from transacting business with persons or entities listed as "blocked" by the Office of Foreign Assets Control (OFAC). The official listing is published in the Federal Register and updated from time to time. You agree not to transact business with persons or entities blocked by OFAC.

Fees

Lee Bank reserves the right to revise fees at any time. Should a change be made to any fee, you will be notified before the change is effective.

Electronic Mail

You can communicate with the Bank through the use of Electronic Mail (email). You cannot use email to initiate transactions on your account(s). Email sent to Lee Bank should not include account numbers, social security numbers, and/or passwords. Lee Bank will be deemed to have received your email on the business day following transmission. Lee Bank agrees to respond within a reasonable time. Any email sent to you by Lee Bank shall be considered received within three (3) business days from the date sent, regardless of whether or not you review your email within that time.

YOU SHOULD NOT USE EMAIL IF YOU NEED TO COMMUNICATE WITH LEE BANK IMMEDIATELY. For example, if you need to report a lost or stolen debit card, if you need to report an unauthorized transaction from one of your accounts or if you need to stop a payment that is scheduled to occur.

Ownership/Security

All information on the Lee Bank website is the property of the Bank and may not be reproduced. Unauthorized attempts to upload information and/or change information are strictly prohibited. Such attempts will be prosecuted to the full extent of the law.

Security is the primary concern of the Bank and our customers. Lee Bank Online Banking resides on a secure website. To maximize security, your Internet browser must support Secure Sockets Layer (SSL). This protocol encrypts sensitive data transmitted from Online Banking.

Additional Term and Conditions

This Electronic Banking Agreement is subject to the terms and conditions of the Lee Bank Truth in Savings, Funds Availability, Electronic Funds Transfer Agreements, and Privacy Policy, copies of which have been provided to me.

You must notify Lee Bank in writing at such time as you choose to cancel your electronic banking services within a reasonable time to allow the Bank to act on your request. This will cancel your Electronic Banking access, but will not terminate your accounts at Lee Bank.

Lee Bank reserves the right to terminate your electronic banking privileges in whole or in part at any time.