

ELECTRONIC FUND TRANSFERS

YOUR RIGHTS AND RESPONSIBILITIES

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

Electronic Fund Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and bank information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your bank and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

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

Telephone Banking Transfers - types of transfers - You may access your account by telephone 24 hours/7 days a week at 888-885-8847 using your personal identification number, a touch tone phone, and your account numbers to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
 - Excludes Passbooks
- transfer funds from savings to savings
 - Excludes Passbooks
- make payments from checking to loan accounts with us
- make payments from savings to loan accounts with us
 - Excludes Passbooks
- get information about:
 - the account balance of checking account(s)
 - the last 6 months of deposits to checking accounts
 - the last 6 months of withdrawals from checking accounts
 - the account balance of savings account(s)
 - the last 6 months of deposits to savings accounts
 - the last 6 months of withdrawals from savings accounts
 - certificate of deposit account(s)
 - loan account(s)

ATM Transfers - types of transfers and dollar limitations - You may access your account(s) by ATM using your ATM Card and personal identification number or Debit Mastercard® and personal identification number, to:

- make deposits to checking account(s) with an ATM card
- make deposits to checking account(s) with a Debit Mastercard®
- make deposits to savings account(s) with an ATM card
- make deposits to savings account(s) with a Debit Mastercard®
- get cash withdrawals from checking account(s) with an ATM card
 - you may withdraw no more than \$1,005.00 per day
- get cash withdrawals from checking account(s) with a Debit Mastercard®
 - you may withdraw no more than \$1,005.00 per day
- get cash withdrawals from savings account(s) with an ATM card
 - you may withdraw no more than \$1,005.00 per day
- get cash withdrawals from savings account(s) with a Debit Mastercard®
 - you may withdraw no more than \$1,005.00 per day
- transfer funds from savings to checking account(s) with an ATM card
- transfer funds from savings to checking account(s) with a Debit Mastercard®
- transfer funds from checking to savings account(s) with an ATM card
- transfer funds from checking to savings account(s) with a Debit Mastercard®

- get information about:
 - the account balance of your checking account(s)
 - with an ATM card
 - with a Debit Mastercard®
 - the account balance of your savings account(s)
 - with an ATM card
 - with a Debit Mastercard®
- Passbook savings account(s) are not eligible for ATM or Debit Cards
- You are allowed up to 10 ATM transactions per day
 - with an ATM card
 - with a Debit Mastercard®

Some of these services may not be available at all terminals.

Types of Debit Mastercard® Point-of-Sale Transactions - You may access your checking account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

Point-of-Sale Transactions - frequency and dollar limitations - Using your card:

- you may make no more than 20 transactions per day
- you may not exceed \$2,500.00 in transactions per day

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

Currency Conversion and Cross-Border Transaction Fees. If you initiate a transaction with your Debit Mastercard® in a currency other than US Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure is based on rates observed in the wholesale market or, where applicable, on government-mandated rates. The currency conversion rate Mastercard generally uses is the rate for the applicable currency that is in effect on the day the transaction occurred. However, in limited situations, particularly where Mastercard transaction processing is being delayed, Mastercard may instead use the rate for the applicable currency in effect on the day the transaction is processed.

Mastercard charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, Mastercard charges us an Issuer Cross-Border Assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee of .2% and a Cross-Border Transaction fee of .9%. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction that occurs at a card acceptance location in a different country from the country in which the card was issued. This means a cross-border transaction can occur even though the transaction is made when you are not in a foreign country. For example, a transaction made online with a foreign merchant is a cross-border transaction even though made while you are physically in the United States.

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

Online Banking Transfers - types of transfers - You may access your account(s) by computer through the internet by logging onto our website at www.cornerstonebank.com and using your user identification and password, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
 - Excludes Passbooks
- transfer funds from savings to savings
 - Excludes Passbooks
- transfer funds from Home Equity Line of Credit to checking
- transfer funds from Home Equity Line of Credit to savings
- make payments from checking to loan account(s) with us
- make payments from checking to third parties such as Third Party Bill Payment
- make payments from savings to loan account(s) with us
 - Excludes Passbooks
- get information about:
 - the account balance of checking account(s)
 - the last 16 months deposits to checking accounts
 - the last 16 months withdrawals from checking accounts
 - the account balance of savings account(s)
 - the last 16 months deposits to savings accounts
 - the last 16 months withdrawals from savings accounts
 - certificate of deposit account(s)
 - loan account(s)
- make an internal transfer from your Cornerstone Bank checking or savings (excludes Passbooks) to another Cornerstone Bank customers account

- make Bank to Bank transfers (External transfer from your Cornerstone Bank checking or savings (excludes Passbooks) to your account held at another financial institution)

Mobile Banking Transfers - types of transfers - You may access your account(s) through the browser on your cell or mobile phone at www.cornerstonebank.com or by downloading our mobile banking app and using your user identification and password, to:

- transfer funds from checking to checking
- transfer funds from checking to savings
- transfer funds from savings to checking
 - Excludes Passbooks
- transfer funds from savings to savings
 - Excludes Passbooks
- transfer funds from Home Equity Line of Credit to checking
- transfer funds from Home Equity Line of Credit to savings
- make payments from checking to loan account(s) with us
- make payments from checking to third parties such as Third Party Bill Payments
- make payments from savings to loan account(s) with us
 - Excludes Passbook
- get information about:
 - the account balance of checking account(s)
 - the last 16 months deposits to checking accounts
 - the last 16 months withdrawals from checking accounts
 - the account balance of savings account(s)
 - the last 16 months deposits to savings accounts
 - the last 16 months withdrawals from savings accounts
 - certificate of deposit account(s)
 - loan account(s)
- make a check deposit
- make an internal transfer from your Cornerstone Bank checking or savings (excludes Passbooks) to another Cornerstone Bank customers account
- make Bank to Bank transfers (External transfer from your Cornerstone Bank checking or savings (excludes Passbooks) to your account held at another financial institution)

You may be charged access fees by your cell phone provider based on your individual plan. Web access is needed to use this service. Check with your cell phone provider for details on specific fees and charges.

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

- For security reasons, there are other limits on the number of transfers you can make by ATM.
- For security reasons, there are other limits on the number of transfers you can make by telephone.
- For security reasons, there are other limits on the number of transfers you can make by debit card.
- For security reasons, there are other limits on the number of transfers you can make by computer.
- For security reasons, there are other limits on the number of transfers you can make by web-enabled mobile phone.

FEES

Except as indicated elsewhere, we do not charge for these electronic fund transfers. Please refer to our separate Fee Schedule for additional information regarding fees.

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

DOCUMENTATION

- **Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.
- **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 1-800-939-9103 to find out whether or not the deposit has been made.
- **Periodic statements.**

You will get a monthly account statement from us for your checking accounts.

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

For passbook accounts, if the only possible electronic transfers to or from your account are preauthorized credits, we do not send periodic statements. You may bring your passbook to us and we will record any electronic deposits that were made since the last time you brought in your passbook.

PREAUTHORIZED PAYMENTS

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

Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Please refer to our separate fee schedule for the amount we will charge you for each stop-payment order you give.

- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

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

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

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

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) as explained in the separate Privacy Disclosure; or
- (5) if you give us written permission.

UNAUTHORIZED TRANSFERS

(a) Consumer liability.

• **Generally.** Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose up to \$50 if someone used your card and/or code without your permission.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back the money you lost (up to \$50) after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time period.

• **Additional Limits on Liability for Debit Mastercard®.** You will not be liable for any unauthorized transactions using your Debit Mastercard® if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, and (ii) upon becoming aware of a loss or theft, you promptly report the loss or theft to us. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

(b) Contact in event of unauthorized transfer. If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check without your permission.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, Call or Write us at the telephone number or address listed in this disclosure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

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

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

You may ask for copies of the documents that we used in our investigation.

CORNERSTONE BANK
P.O. BOX 370
SOUTHBRIDGE, MA 01550-0370
Business Days: Monday through Friday
Excluding Federal Holidays
Phone: 1-800-939-9103

MORE DETAILED INFORMATION IS AVAILABLE
ON REQUEST

**NOTICE OF ATM/NIGHT DEPOSIT
FACILITY USER PRECAUTIONS**

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements or account histories that you receive.
4. Don't lend your ATM card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.