

Internet Banking Terms and Conditions Agreement

This Agreement describes your rights and obligations as a user of the On-line Banking Service or the Bill Payment Service ("Service" or "Services"). It also describes the rights and obligations of 1st Bank of Sea Isle City. 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.

CUSTOMER DISCLOSURE AND AGREEMENT TO RECEIVE ELECTRONIC COMMUNICATIONS

By selecting the "I Accept" button below, you are (1) acknowledging your receipt of the information listed below, (2) agreeing that any contract you enter into with 1st Bank of Sea Isle City for the provision of certain On-line Banking Services, may be in electronic form, and (3) agreeing that certain information that may be delivered in connection with the Services may also be in electronic form.

You are also acknowledging receipt of the following information and agree that:

- * We may provide you with this Agreement and any revisions and amendments thereto in electronic form, and that, if you choose to accept the Agreement, you are consenting to enter into and are entering into an agreement electronically that will govern all future transaction you conduct using the Service.
- * We may provide you revisions and amendments to the Agreement and such other information, including but not limited to information under Regulation E and under other applicable banking or financial services laws or regulations in connection with the Service, electronically as a part of the Agreement or otherwise as a part of the Services. While you may print and retain a copy of the Agreement or any information provided to you in relation to the Service, we only provide these documents electronically.
- * You have a right at any time to withdraw, without service charges, your consent to receive information electronically. However, because the Agreement and the Information are provided only in electronic format, your withdrawal of consent will terminate all the Services.
- * If you wish to withdraw consent to receive information electronically, to terminate the Services, or to update your information such as a change of address, or email address, you may call 1st Bank of Sea Isle City at 609-263-4102, or write a letter and send it to:

1st Bank of Sea Isle City
Attention: Operations
4301 Landis Ave
Sea Isle City, NJ 08243

- * You are able to access information that is provided in the same manner as the information and the Services via the Internet.

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DEFINITIONS

The following definitions apply in this Agreement.

"On-line Banking" is the Internet-based service providing access to your account(s) under the terms set forth in this Internet Banking Terms and Conditions Agreement

"On-line Account" is a 1st Bank of Sea Isle City account from which you will be conducting transactions using a Service.

"Business Day" refers to Monday through Friday, excluding holidays as determined by 1st Bank of Sea Isle City. All On-line transaction requests received after 7:00 p.m. EST, or on a non-Business Day, will be processed immediately, but will not appear in the online history until the following Business Day.

"Password" is a series of numbers and/or letters that you select after the initial sign-on, that establishes your connection to the Service. 1st Bank of Sea Isle City will provide you with a code for use during the initial sign-on process.

"Time of day" references are to Eastern Standard Time.

"We," "us" "our" or "1st Bank of Sea Isle City" refer to 1st Bank of Sea Isle City, which offers the Services provided under this Agreement and holds the accounts accessed by the Services.

ACCESS TO SERVICES

1st Bank of Sea Isle City will provide on-line instructions describing how to use the On-line Banking Service or Bill Payment Service. To gain access to this Service you will need your Access ID and your Password.

HOURS OF OPERATION

The Services are generally available 24 hours-a-day, 7 days a week, except during special maintenance and upgrade periods, which routinely are scheduled between 12:00 a.m. and 5:00 a.m. Monday mornings.

USE OF YOUR SECURITY PASSWORD

The safety of our customers' accounts and account information is of paramount importance to 1st Bank of Sea Isle City. We go through great lengths to protect confidentiality and the security of your account, and urge you to do the same. You agree not to allow anyone to gain access to the Services or to let anyone know your Password used with the Services. You agree to assume responsibility for all transactions initiated through the Services with your 1st Bank of Sea Isle City User-ID, up to the limits allowed by applicable law. While 1st Bank of Sea Isle City continues to provide our customers with the level of on-line security we believe necessary and appropriate, customers who share their User-IDs and Passwords are giving up the full benefit of our security measures and legal protections to which they may be entitled. No 1st Bank of Sea Isle City representative will ever call and ask for your Access ID or User Password.

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IF YOUR PASSWORD HAS BEEN LOST OR STOLEN

If your Password has been lost or stolen, call 1st Bank of Sea Isle City immediately at 609-263-4102, between 8:30AM AND 5:00PM Monday-Thursday and 8:30AM-6:00PM Friday. Telephoning 1st Bank of Sea Isle City is the best way of minimizing your losses. You may also restore the security of your Service by immediately changing your Password. If you believe your Password has been lost or stolen and you notify us within two Business Days after you learn of the loss or theft, you can lose no more than \$50.00 if someone uses your Password to conduct unauthorized electronic funds transfers without your permission. If you do NOT notify us within two Business Days after you learn of the loss or theft of your Password, and we can prove we could have stopped someone from using your Password to conduct unauthorized electronic funds transfers without your permission if you had told us, you could lose as much as \$500.00.

BANKING TRANSACTIONS WITH ON-LINE BANKING

In addition to viewing account information, you may use On-line Banking to conduct the following transactions:

* Transfer funds among your linked checking, savings, money market, loan and line of credit accounts.

NOTE: Because regulations require 1st Bank of Sea Isle City to limit pre-authorized transfers (including On-line Banking transfers), the following limitations apply:

* Statement Savings Account-- You can make no more than six (6) transfers per statement period by pre-authorized or automatic transfer, or by telephone or On-line Banking.

* Money Market Savings Account-- You can make no more than six (6) transfers per statement period by pre-authorized or automatic transfer or by telephone or On-line Banking, and no more than three (3) of these may be by check, draft or debit card.

* Initiate bill payments under separate Bill Payment terms and conditions.

New services may be introduced for On-line Banking from time to time. 1st Bank of Sea Isle City will notify you of the existence of these new services. By using these services when they become available, you agree to be bound by the rules that will be made available to you concerning these services.

ALERTS/MESSAGES

Internet banking alerts (My Alerts at 1st Bank) allows you to set up automated alert events based on your own criteria for you accounts. Alerts may be sent via e-mail or in an online message box within Internet banking, or both. E-mail alerts will be sent to the e-mail address you provide in creating the alert. The following conditions apply to all customers using the Internet banking alerts feature.

1st Bank of Sea Isle City may add or remove alerts from time to time.

If your email address changes you are responsible for updating your e-mail address in the alerts you may have already set up.

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You understand and agree that alerts may be delayed or prevented for a variety of reasons. 1st Bank of Sea Isle City does not guarantee the delivery or validity of the contents of any alert. You agree that we shall not be liable for any delays, delivery failure or misdirected delivery of any alert. You agree that we shall not be liable for any actions taken or not taken by you or anyone else upon receipt of or in response to an alert. The bank will never include your password or full account number in an email alert, however you understand that alerts may include your name and some necessary information about your accounts. Alerts that are fulfilled and distributed will only be available for review for 30 days. Alerts that are unfulfilled will be automatically removed from the system after 999 days.

STATEMENTS

You will continue to receive your regular account statement either monthly or quarterly, depending on the type of account.

IF YOUR STATEMENT SHOWS TRANSFERS THAT YOU DID NOT MAKE

If your statement shows transfers that you did not make, notify 1st Bank of Sea Isle City immediately at 609-263-4102, or write a letter and send it to:

1st Bank of Sea Isle City
Attention: Operations
4301 Landis Ave
Sea Isle City, NJ 08243

If you do not notify 1st Bank of Sea Isle City within sixty (60) days after the statement was mailed to you, you may not recover any money lost after the sixty (60) days which would not have been lost if 1st Bank of Sea Isle City had been notified in time.

ERRORS AND QUESTIONS

In case of errors or questions regarding an On-line Banking or Bill Payment transaction, you may call 1st Bank of Sea Isle City at 609-263-4102, or write a letter and send it to:

1st Bank of Sea Isle City
Attention: Operations
4301 Landis Ave
Sea Isle City, NJ 08243

We must hear from you at the specified telephone number or address no later than sixty (60) calendar days after we sent you the first statement on which the problem or error appeared. We will need:

- * Your name and account number
- * A description of the error or the transfer in question, and an explanation concerning why you believe it is an error or need more information.

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- * The dollar amount of the suspected error
- * The date on which it occurred.

If the report is made orally, we may require that you send the complaint or question in writing within ten (10) Business Days from your initial contact. We will notify you with the results of the investigation within ten (10) Business Days after you contact us and will correct any error promptly. If more time is needed, however, we may, at our sole discretion, take up to forty-five (45) calendar days to investigate a complaint or question. If this occurs, we will credit your account within ten (10) Business Days for the amount you think is in error. This will allow you to use the money during the time it takes us to complete our investigation. If your complaint or question is not received in writing within ten (10) Business Days from your original contact, we may not credit your account until the investigation is completed.

If your notice of error concerns a transaction that occurred during the first 30 days after the first deposit to the account was made, the applicable time periods are 20 Business Days in place of 10 Business Days and 90 calendar days in place of 45 calendar days.

If we determined that no error occurred, we will send you a written notice within three (3) Business Days. You may request copies of the documents that were used in the investigation.

You agree that 1st Bank of Sea Isle City may respond to you by e-mail with regard to any claim of unauthorized electronic fund transfer related to the Service. Any such electronic mail sent to you by 1st Bank of Sea Isle City shall be considered received within three (3) Business Days of the date sent by 1st Bank of Sea Isle City, regardless of whether or not you sign on to the Service within that time frame.

LIMIT OF 1ST BANK OF SEA ISLE CITY'S RESPONSIBILITY

1st Bank of Sea Isle City agrees to make reasonable efforts to ensure full performance of On-line Banking. 1st Bank of Sea Isle City will be responsible for acting only on those instructions sent through On-line Banking which are actually received, and cannot assume responsibility for circumstances over which the bank has no direct control. This includes but not limited to, the failure or malfunctions in communication facilities, which may affect the accuracy or timeliness of messages you send. 1st Bank of Sea Isle City is not responsible for any losses should you give incorrect instructions, or if your payment instructions are not given sufficiently in advance to allow for timely payment or delays in mail service.

Any information you receive from 1st Bank of Sea Isle City is believed to be reliable. However, it can only be provided on a best-efforts basis for your convenience and is not guaranteed. 1st Bank of Sea Isle City is not liable for any deficiencies in the accuracy, completeness, availability, or timeliness of such information, or for any investment or other decision made using this information.

1st Bank of Sea Isle City is not responsible for any fees incurred for Internet access, or for any computer virus or related problems that may be attributable to services provided by any Internet access service provider.

You are responsible for obtaining, installing, maintaining, and operating all computer hardware and software necessary for performing On-line Banking. 1st Bank of Sea Isle City will not be responsible for any errors or failures from the malfunction or failure of your hardware or software.

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The limit of 1st Bank of Sea Isle City's liability shall be as expressly set forth herein. Under no circumstances will 1st Bank of Sea Isle City be liable in contract, tort, or otherwise for any special, incidental, or consequential damages, whether or not foreseeable. By consenting to use the Services, you agree to waive any and all right to any of the aforesaid, and you acknowledge that the limit of your remedy is as otherwise expressly set forth herein.

1ST BANK OF SEA ISLE CITY'S RESPONSIBILITY

1st Bank of Sea Isle City will be responsible for your actual losses if they were directly caused by our failure to:

- * Complete an Electronic Funds Transfer as properly requested
- * Cancel an Electronic Funds Transfer as properly requested.

However, we will not be responsible for your losses if:

- * Through no fault of 1st Bank of Sea Isle City, you do not have enough money in your account to make the transfer
- * Through no fault of 1st Bank of Sea Isle City, the transaction would have caused you to exceed your available credit
- * Circumstances beyond our control (e.g., fire, flood, power outage, mail delivery delays, equipment or technical failure or breakdown) prevent the transfer, despite reasonable precautions that 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 or other encumbrance restricting the transfer
- * Your transfer authorization terminates by operation of law
- * You believe someone has accessed your accounts without your permission and you fail to notify 1st Bank of Sea Isle City immediately
- * You have not properly followed the scheduling instructions, included in this Agreement, to make a transfer or the Payee refuses the Service.
- * For the failure of any payee to correctly account for or credit the payment in a timely manner
- * We have received incomplete or inaccurate information from you or a third party involving the account or transfer.
- * For changes to the payee's address or account number (unless you have advised us of the change within three (3) Business Days in advance)
- * We have a reasonable basis for believing that unauthorized use of your Password or account has occurred or may be occurring, or if you default under this Agreement, the Deposit Account Agreement, a credit agreement, or any other agreement with us, or if we or you terminate this Agreement.

There may be other exceptions stated in this agreement and in other agreements with you. In no event shall we be liable for damages in excess of your actual loss due to our failure to complete a transfer, and we will not be liable for any incidental or consequential damages.

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 not have been completed or to correct incorrect transactions that have been processed.

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ELECTRONIC MAIL (EMAIL)

If you send 1st Bank of Sea Isle City an electronic mail message through the Service, 1st Bank of Sea Isle City will be deemed to have received it on the following Business Day. Emails will be answered within a reasonable timeframe.

You should not rely on electronic mail if you need to communicate with 1st Bank of Sea Isle City immediately (e.g., 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).

You agree that 1st Bank of Sea Isle City may respond to you by electronic mail with regard to any matter related to the Service, including responding to any claim of unauthorized electronic funds transfer that you make. Any such electronic mail sent to you by 1st Bank of Sea Isle City shall be considered received within three (3) days of the date sent by 1st Bank of Sea Isle City, regardless of whether or not you sign on to the Service within that time frame.

OTHER AGREEMENTS

In addition to this Agreement, you and 1st Bank of Sea Isle City agree to be bound by and comply with the requirements of the agreements applicable to each of your On-line Accounts. Your use of the On-line Banking service or the Bill Payment Service is your acknowledgment that you have received these agreements and intend to be bound by them. You should review other disclosures received by you when you open your accounts at 1st Bank of Sea Isle City, including the charges that may be imposed for electronic funds transfers or the right to make transfers listed in the fee schedules accompanying those disclosures and the fee schedule at the end of this Agreement. We will automatically deduct any fees related to this Service from your Bill Pay Account each month. All terms and conditions of the disclosures provided to you at account opening, including but not limited to, the Truth in Savings, Regulation E Disclosure, Depositor's Agreement and Terms and Conditions apply to this Service.

MODIFICATIONS TO THIS AGREEMENT

1st Bank of Sea Isle City may modify the terms and conditions applicable to either Service from time to time upon mailing or delivering a notice of the modifications to you at the address shown on our account records, and the revised terms and conditions shall be effective at the earliest date allowed by applicable law. We may send any notice to you via electronic mail and you will have been deemed to have received it three (3) days after it is sent. We reserve the right to terminate this Agreement and your use of the Services in whole or in part at any time without prior notice.

DISCLOSURE OF INFORMATION TO THIRD PARTIES/ PRIVACY POLICY

A copy of 1st Bank of Sea Isle City's Consumer Privacy Statement is available upon request at any of our branches, or can be mailed to you upon request by calling 1st Bank of Sea Isle City at 609-263-4102, or writing a letter and sending it to:

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1st Bank of Sea Isle City
Attention: Operations
4301 Landis Ave
Sea Isle City, NJ 08243

You can also access our Policy online by clicking on the Privacy Policy icon on the 1st Bank of Sea Isle City Website.

INACTIVITY / TERMINATION

You are responsible for complying with all the terms of this Agreement and with the terms of the agreement governing the deposit accounts which you access using electronic banking services. We can terminate your On-line Banking privileges (including the Bill Payment Service) under this Agreement without notice to you for any reason; or if you do not pay any fee required by this Agreement when due, if you do not comply with the Agreement governing your deposit or loan accounts, or your accounts are not maintained in good standing. We will promptly notify you if we terminate this Agreement or your use of the services for any other reason.

If you are not paying a monthly service charge for the Service, we may convert your account to inactive status if you do not sign on to the Service or have any transaction scheduled through the Service during any consecutive 180 day period. If your account is considered inactive, you must contact us to have the Service activated before you will be able to schedule any transaction through the Service.

To cancel the On-line Banking and/or Bill Payment Service, you must notify 1st Bank of Sea Isle City. Your notification should include your name, address and the effective date to stop the service(s). When Bill Payment is terminated, any pre-scheduled bill payments made through On-line Banking will also be terminated. Your final charge for the Bill Payment Service will be assessed at the end of your statement cycle. You may notify 1st Bank of Sea Isle City by one of the following methods:

- * By initiating a customer inquiry through our Web site
- * By calling 609-263-4102
- * By writing a letter and sending it to:

1st Bank of Sea Isle City
Attention: Operations
4301 Landis Ave
Sea Isle City, NJ 08243

GOVERNING LAW

This Agreement is governed by the laws of the New Jersey and applicable federal law(s).

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FEE SCHEDULE

1st Bank of Sea Isle City offers the benefits and convenience of the On-line Banking service to you at no monthly charge. Account research, stop payment charges and Bill Pay Services will be assessed at the rates published in 1st Bank of Sea Isle City's Miscellaneous Schedule Fees Brochure and deducted from your Bill Pay Account or another account you hold at 1st Bank of Sea Isle City.

These fees are subject to change. 1st Bank of Sea Isle City will notify you in writing regarding any fee changes at least thirty (30) days in advance of the effective date of these changes.