

Thrift-E Online Banking Agreement and Electronic Fund Transfer Act Disclosure

Welcome to Spratt Savings and Loan Thrift-E Online Banking

We are pleased to offer you the many benefits of real-time Online Banking. Using your personal computer and the Internet, you will be able to obtain information concerning your accounts, transfer funds between your accounts, download account information and conduct other banking transactions as described in this Thrift-E Online Banking Agreement ("Agreement").

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General Information

Terms and Conditions

The use of Spratt Savings and Loan online banking product, "Thrift-E Online Banking" requires that you agree to the terms and conditions of this Agreement. The Agreement describes many of the features and services that Thrift-E Online Banking provides and how they work.

Minimum Hardware and Software Requirements to Use Online Banking

To ensure you have the best experience using Thrift-E Online Banking and get the most current security features to protect your personal and account information online, we ask that you have:

- A personal computer, operating system and telecommunications connections to the Internet capable of supporting the foregoing.
- An Internet browser that supports 128-bit encryption, such as Internet Explorer version 6.0 or above or Netscape Navigator version 4.2 or above. Our site is best viewed with Internet Explorer.
- An e-mail account and e-mail software capable of interfacing with standard e-mail protocols.
- Sufficient electronic storage capacity on your computer's hard drive or other data storage unit.
- A printer that is capable of printing from your browser and e-mail software.

Definitions of Terms used in this Agreement

- "Bank," "we," "our," and "us," refer to Spratt Savings and Loan Association, as appropriate.
- "You" and "your" refer to any person that is a signer on an account or a representative who has the authority to access the account(s) through Thrift-E Online Banking.
- "Account" or "Accounts" refer to your deposit and loan accounts established at the Bank, including lines of credit.
- "Business day" means any day Monday through Friday, except bank holidays.
- "Bill Payment Service" means a third party bill payment service or electronic bill presentment service that you select in addition to Online Banking.
- "Electronic message" means an electronically transmitted message that allows the text to be displayed on equipment in the recipient's possession (such as a modem-equipped personal computer). An electronic message is considered written notice for purposes of this Agreement.

- "Online Banking" means the Internet-based banking service provided by the Bank.
- "Password" is the secret word or phrase that you select.
- "Transfer Instructions" are instructions you give us through Thrift-E Online Banking to transfer funds between accounts you can access through Online Banking.
- "User ID" means the unique user name that you select when establishing your Thrift-E Online Banking relationship with us.
- "Website" refers to the Bank's Thrift-E Online Banking website which is found at: <http://www.sprattsavingsandloan.com>.

Our Agreement with You

Your use of Thrift-E Online Banking is governed by this Agreement, our Fee Schedule and Interest Disclosures, your application for Online Banking, any instructions we provide you on using Online Banking, any other agreements applicable to the deposit or loan accounts you access through Online Banking, including our Rules and Regulations, our privacy policy, any applicable overdraft protection agreement, and any other applicable loan agreement as they all may be amended from time to time. Any use of Thrift-E Online Banking by you or by anyone you authorize, is your acknowledgment that you have received this Agreement, understand it, and agree to be bound by it. If you do not agree to the terms and conditions in this Agreement, do not register for Thrift-E Online Banking or any Bill Payment Service. In the event of any conflict between this Agreement and any other agreement governing your deposit or loan accounts, this Agreement will control. Such documents, disclosures and policies represent the sole and exclusive agreement between you and the Bank regarding Thrift-E Online Banking and merges and supersedes all previous and contemporaneous written or oral agreements and understandings regarding the subject matter hereof.

Access to Online Banking

You authorize us to provide you with access to your accounts through our website at <http://www.sprattsavingsandloan.com> so that you can obtain balances, transaction history and other information. To use Thrift-E Online Banking, you must have a User ID, your Password, and a computer equipped with a web browser and access to the Internet. Once you have completed the first time log-in screen, you will be asked to reset your Password. Thereafter, you may change your Password at anytime however the system will require that it be changed every ninety (90) days. We recommend that you change your Password regularly and frequently. It is your responsibility to remember your Password; we do not maintain a record of it. Your Password should be 7-12 characters and configured such that at least three (3) of the characters are alpha and three (3) are numeric with at least one (1) special character. For security purposes, it is recommended that you memorize the Password and do not write it down. You are able to reset your Password on line or by contacting our Spratt Online Banking Center at 1-888-385-

5102 during business hours: Monday through Friday 8:30 a.m. to 5:00 p.m. Voice mail messages may be left at this number after hours.

Electronic Communications

Unless otherwise required by applicable law or pursuant to your written request, in the event that we are required to provide a notice or other communication to you in writing, that notice or other communication may be sent to you electronically to your e-mail address as reflected in our then current records. Any notice we give you concerning Thrift-E Online Banking and/or your account(s) is effective when we send you an electronic message or when we mail or deliver the notice to you at the address we have for you in our account records. Any notice we send you will be deemed to have been received by you within three days of being sent. If any of your accounts has more than one co-owner, notice to any one co-owner will be considered effective notice to all. To the extent permitted by law or regulation, you agree that we may send you by means of an electronic message any information we are required by law or regulation to provide you orally or in writing. You may request a paper copy of the information up to sixty (60) days after receiving our electronic message.

If you send us an electronic mail message, we will be deemed to have received it on the following business day. We will have a reasonable time to act on your e-mail. Do not rely on e-mail if you need to communicate with us immediately, for example, to cancel a pre-authorized payment. Do not use unsecured e-mail to transmit nonpublic personal information such as account numbers. E-mail messages sent to the Bank are the property of the Bank and we reserve the right to delete such messages from the system from time to time. You agree that we may send notices and information about our products or services to you electronically, to the extent allowed by law.

Subject to applicable law, updates to this Agreement, as well as all disclosures, notices and other communications regarding Thrift-E Online Banking will be provided to you within our Thrift-E website. You can get free paper copies of any of these documents by contacting Spratt Online Banking Center at 1-888-385-5102 during business hours Monday through Friday 8:30 a.m. to 5:00 p.m.

You will continue to receive all of the paper account statements and other bills and similar account material that you currently receive by mail.

If you wish to withdraw your consent to receive communications provided in electronic form, you may contact Spratt Online Banking Center at 1-888-385-5102 during business hours Monday through Friday 8:30 a.m. to 5:00 p.m.

You agree that these are reasonable procedures for sending and receiving electronic communications.

Services Available Through Online Banking

You can access Thrift-E Online Banking from anywhere there is access to the Internet. The following is a sample of the services and features of our Online Banking:

1. Balance inquiries – you can obtain real-time information concerning your deposit and loan accounts.
2. Transfers – you can transfer funds between (i) deposit accounts (*i.e.*, checking or savings accounts) and (ii) certain loan accounts.
3. Stop payments – you can request the Bank to stop any pending payments.
4. Access to Bill Payment Services.
5. Import Statements – you can import statement transactions into personal cash management software such as Quicken®, Microsoft Money®, etc.

Your use of Thrift-E Online Banking to conduct these services is subject to the terms and limitations stated in this Agreement and the applicable instructions we provide you. We may introduce additional Thrift-E Online Banking services from time to time and will notify you as these new services become available. By using any new Thrift-E Online Banking services when they become available, you agree to be bound by this Agreement and amendments to this Agreement regarding the new services, and any additional rules which we provide you concerning the new services.

Accounts You May Access

A. Deposit Accounts

Subject to any restrictions we may impose from time to time, you may access any of your deposit accounts at the Bank through Online Banking.

B. Linked Credit Lines

All accounts on which the enrolling customer is an Account owner or authorized signer can be linked. If you have our S.O.S. (overdraft protection), you agree that the available portion of that line may be accessed through Thrift-E Online Banking. You understand and agree that the provisions of the agreement relating to your line of credit will govern overdrafts, automatic advances to maintain the minimum balance necessary to avoid account service charges, and direct advances resulting from your use of Online Banking. You will still continue to receive monthly paper statements.

Thrift-E Online Banking Provides You With Real-Time Account Information

By using our Thrift-E Online Banking, you can get account information conveniently and immediately on your account(s). Balance information shown for your deposit accounts may include Current Balance and Available Balance. These balance amounts may differ. The Current Balance is the ending balance in your account as of the close of the previous banking day and does not include any holds, which may have been placed on your account. The Available Balance is the Current Balance less any holds and includes certain debits and credits which have taken place since the close of the previous banking day, for example, ATM deposits and withdrawals, cash deposits, wire transfers and other online activity. The Available Balance provides the most current balance information. Transaction history information is available for your current statement cycle plus the previous statement cycle.

Transfers

Thrift-E Online Banking permits you to transfer funds from a deposit account to any other deposit account, available portions of any line of credit, and installment loans you can access through Thrift-E Online Banking. When initiating a New Scheduled Transfer, the "transfer date" is the date you enter for the transfer of funds from one account to another. Transfer of funds from a deposit account to another deposit account will generally be processed simultaneously if the transfer is performed before 5:00 p.m. on the transfer date. For example, if you transfer funds from account 1 to account 2, the funds will be debited from account 1 and credited to the available balance in account 2 simultaneously on the transfer date. The funds will be available immediately upon the transfer for withdrawal from account 2 through an ATM or debit card transaction or at a teller window, and will also be available to honor checks or other items presented for payment against account 2 in the nightly processing following the transfer.

Transfers of funds from a deposit account to a loan account will be processed as follows: 1) the transfer will be debited from your deposit account when you execute the transfer on the transfer date (regardless of the day or time we receive your instructions); and 2) the transfer will be credited to your loan account during our nightly processing of the loan account. The transfer will be credited to your loan account on the transfer date if i) the transfer date you designate is a business day, and ii) we receive your instruction to transfer the funds to your loan account no later than 5:00 p.m. Eastern Time on the transfer date. If you designate a non-business day as the transfer date, or if we receive your transfer instructions after 5:00 p.m. Eastern Time on the transfer date, the transferred funds will be credited to your loan account as of the next business day following the transfer date.

Limitations on Transactions

For savings and money market accounts, applicable federal regulations impose certain limits to pre-authorized, automatic, and telephone transfers (including online transfers) to six per statement cycle, no more than three of which may be made by check, draft, or similar order

payable to third parties. Loan payments to us are not included in these limits. For security reasons, we may impose additional limits on the frequency, number, and dollar amounts of transactions you can perform using Thrift-E Online Banking. In addition, as noted herein, we reserve the right to refuse to pay any person or entity to which you may direct a payment through Thrift-E Online Banking. We will notify you promptly if we decide to refuse to pay a person or entity designated by you; however, this notification is not required if you direct us to make any payment which is otherwise prohibited under your agreement with us. All electronic transactions initiated with this Thrift-E Online Banking product, with the exception of bill pay, are currently free of charge.

Overdrafts

If your use of Thrift-E Online Banking overdraws your account and the overdraft is not covered by an approved line of credit relating to the overdrawn account, you agree to make immediate payment to us of the amount of any such overdraft, together with related service charges. You also agree that we may charge the overdraft and related service charges against your other accounts with us to the extent permitted by law or by our Rules and Regulations.

Stop Payment

The Bank must receive all stop payment requests in such a time and manner as to afford the bank a reasonable opportunity to act on it. Including, but not limited to, the check number and exact amount of payment. If the Bank, prior to accepting the stop payment order has received the item, the Bank would not be held liable. The stop payment order will be invalid and the Bank will refund the fee. A stop payment order will automatically expire six (6) months after receipt unless the customer renews it by completing a new stop payment order. Only an authorized signer on the account can cancel a stop payment order prior to the automatic expiration date. Your initial sign-in using your User ID and Password will serve as authorization in regard to an online stop payment order.

There is a fee for each Thrift-E Online Banking stop payment request. The fee will be charged automatically to the customer's account the same day the stop payment is placed on the system. Stop payment orders through Thrift-E Online Banking will only be accepted on checks written on consumer accounts. For stop payment orders on ACH items or business accounts, please contact Spratt Online Banking Center at 1-888-385-5102 or visit your local branch.

Electronic Bill Payment

Through our Website, in addition to Thrift-E Online Banking, you can access a third party Bill Payment Service of your choice, which will allow you to electronically pay third parties. Bill payment transactions will be drawn against your account in accordance with the instructions that you provide to the Bill Payment Service you designate. If you elect to use a Bill Payment Service, in addition to this Agreement, which governs your relationship with the Bank, you must agree to separate terms and conditions with the Bill Payment Service that will govern the your

relationship with your Bill Payment Service. The separate terms and conditions with the Bill Payment Service will govern among other things, applicable charges and fees imposed by the Bill Payment Service, permissible types of payments and limitations, liability for unauthorized transfers through the Bill Payment Service, dispute resolution, termination rights and contact information with respect to the Bill Payment Service you select.

Personal Cash Management Software

Our Thrift-E Online Banking allows you to import transaction information into any personal cash management software you use, such as Quicken® or Microsoft® Money. If you require help setting up Quicken® access www.intuit.com. Help with Microsoft® Money is available at www.microsoft.com.

Consumer Protection Provisions

The consumer protection provisions of the federal Electronic Fund Transfer Act and Regulation E of the Board of Governors of the Federal Reserve apply only to electronic fund transfers involving consumer checking and savings accounts established primarily for personal, family or household purposes. If your accounts are owned by an entity other than a natural person or was established primarily for business, commercial or agricultural purposes, then any Thrift-E Online Banking electronic fund transfer will be considered an "authorized use," and your liability for any Thrift-E Online Banking transaction relating to that account will be unlimited, notwithstanding the provisions of the Federal Electronic Fund Transfer Act, Regulation E, or any standardized literature or disclosures we may send you.

Use of Your User ID and Password

When you sign onto Thrift-E Online Banking using your User ID and Password you authorize us to follow the instructions we receive relating to your accounts and to charge and credit your accounts according to those instructions. Because your User ID and Password are the principal security measures to protect access to your accounts, you agree to keep all User ID and Password information confidential and to take all reasonable precautions to protect the secrecy of this information. If you give your User ID or Password or make it available to another person, you authorize that person to access your accounts through Thrift-E Online Banking and to give the Bank instructions relating to your accounts as an authorized user. You also authorize us to comply with those instructions even if that person exceeds your authorization. The Bank has no responsibility for establishing the identity of any person who uses your Password. You agree that you are liable for any transaction received by the Bank that includes your Password.

Except to the extent prohibited by applicable law or regulation, you will be deemed to have expressly authorized any Thrift-E Online Banking transaction facilitated through the Website:

1. initiated by you, at your direction, or with your consent (whether expressed or implied),
2. initiated by an agent with respect to any account which you may access through Online Banking,
3. initiated by a member of your household, whether or not related to you,

4. initiated by any person (or that person's agent) who is the owner or co-owner of any account which you may access through Online Banking,
5. which results in the transfer of funds between accounts you may access through Online Banking, even if subsequent transfers out of the accounts benefit someone else,
6. which is to or for your benefit (for example, the payment of a debt for which you are partially or fully liable), or
7. which you contend is unauthorized, unless you cooperate fully with us in our investigation of the transaction, assign to us your right of recovery against the wrongdoer if we reconstitute your account, and cooperate fully with us in the recovery of any loss we sustain and the prosecution of any wrongdoer. Any person initiating the foregoing transactions will be deemed an authorized user except to the extent prohibited by applicable law or regulation.

If You Believe Your User ID or Password is Lost, Stolen or Used Without Your Authority

Please tell us AT ONCE if you believe that your User ID or Password becomes lost or stolen, or if an electronic fund transfer has been made without your permission. You should contact the Spratt Online Banking Center during office hours at 1-888-385-5102. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account(s) (plus your maximum line of credit linked to your account).

Notifying Us Quickly Limits Your Liability

Your liability for an unauthorized Thrift-E Online Banking transaction will be determined as follows:

1. If you notify us within two (2) business days after learning of the loss or theft of your password, your liability will not exceed the lesser of \$50 or the amount of unauthorized Thrift-E Online Banking transactions that occur before notice to us.
2. If you fail to notify us within two business days after learning of the loss or theft of your password, your liability will not exceed the lesser of \$500 or the sum of:
 - o \$50 or the amount of unauthorized Thrift-E Online Banking transactions that occur within the two business days, whichever is less; and
 - o the amount of unauthorized Thrift-E Online Banking transactions that occur after the close of two business days and before notice to us, provided we establish that these Thrift-E Online Banking transactions would not have occurred had you notified us within that two-day period.

Unauthorized Transactions

We will send you a monthly account statement for your checking accounts disclosing detailed account history in a particular month. In any case, we will send you a statement for your

checking and savings accounts at least quarterly. The statement will include Thrift-E Online Banking transfers.

If your monthly statement shows transfers that you did not make, you agree to notify us immediately. You may call Spratt Online Banking Center at 1-888-385-5102 or write us at SPRATT SAVINGS AND LOAN ASSOCIATION, Online Banking Center, PO Box 579 Chester, SC 29706. If you fail to notify us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (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 may extend the time periods. Remember if you maintain the confidentiality of your Password, it will reduce the possibility of unauthorized use.

How to Contact Us About Errors and Questions

In case of errors or questions about your electronic transfers, contact us as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on your statement.

- **By phone:**

Call the Spratt Online Banking Center at 1-888-385-5102 (available from 8:30 a.m. to 5:00 p.m. Monday through Friday).

- **In Person:**

In Chester at our main office location at 121 Saluda Street and in Great Falls at our branch located at 800 Dearborn Street.

- **In writing:**

SPRATT SAVINGS AND LOAN ASSOCIATION
Online Banking Center
PO Box 579
Chester, SC 29706

We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared. When you contact us:

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 an error or why you need more information, and

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 ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have 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.

If your complaint or question involves an electronic fund transfer that was initiated outside the United States or that resulted from a point-of-sale debit card transaction, then the forty-five (45) day investigation period will be extended to ninety (90) days.

We will tell you the results within three (3) business days after completing our investigation. If we decide there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

Disclaimer of Warranty

We may on a regular basis perform maintenance on our equipment or system, which may result in interrupted service or errors in Online Banking. We also may need to change the scope of our Thrift-E Online Banking services from time to time. We will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will be provided. We make no representation that Thrift-E Online Banking services will be uninterrupted or error free. Our sole obligation to you arising out of (i) the non-availability of Thrift-E Online Banking, or (ii) an interruption or delay in providing Thrift-E Online Banking shall be to use commercially reasonable efforts to resume such services. The foregoing shall constitute our entire liability and your exclusive remedy. In no event shall the Bank or any of our respective officers, directors, employees, agents or subcontractors be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits (even if we are advised of the possibility thereof) arising in any way out of the installation, use, or maintenance of any computer equipment, the Thrift- E Online Banking service. However, nothing in this section is intended to limit any rights you may have under Federal law or otherwise provided in this Agreement.

Our Liability for Failure to Make Transfers

We will use our best efforts to comply with your transfer instructions. However, we will incur no liability (and no obligation as to late charges) if we are unable to complete any of your transfer instructions because any of the following circumstances exist:

1. You do not have enough money in your account to complete the transaction.
2. The transaction will exceed the available credit limit on any applicable linked line of credit.
3. Your Bill Payment Service is not working properly.
4. The person or entity to which you direct payment mishandles, delays, or fails or refuses to accept a payment sent by us.
5. You have provided us with incorrect, incomplete or inaccurate data or other account information, including but not limited to date related errors, or you have otherwise failed to comply with the payment or transfer instruction requirements set forth in this Agreement.
6. There are technical problems in our receipt of information or instructions from you (for example, problems arise with computers, software, modems, or telephone communications, including but not limited to date related problems).
7. Circumstances beyond our control (such as, but not limited to, fire, flood, interference from an outside force, strikes, lockouts, acts of governmental authorities, delays of couriers or supplies, communications equipment failures, or equipment malfunction occurring despite ordinary maintenance), including but not limited to date related problems, prevent the proper execution of the transaction, despite reasonable precautions we have taken.
8. This Agreement or your transfer authorization has been terminated,
9. Your account has been closed, there is a hold on funds in your account, or access to your account is blocked in accordance with our policies.
10. Your funds are subject to legal process or encumbrances restricting transfer.
11. Applicable law prevents completion of the transaction,
12. Unusual or extraordinary circumstances exist which indicate improper or unlawful use of your account.
13. You believe someone has accessed your account without your permission and you fail to notify us immediately. (Also refer to the section headed "If You Believe Your Password is Lost, Stolen or Used Without Your Authority" in this Agreement.)
14. If the terminal or system is not working properly and you knew about it when you started the transfer.

Provided none of the circumstances described above are applicable, if we cause an incorrect amount of funds to be removed from your account and our action was unintentional and resulted from a *bona fide* error on our part, our sole responsibility to you will be to return the improperly transferred funds to your account.

IN NO EVENT WILL THE BANK OR ANY OF ITS OFFICERS, DIRECTORS, SHAREHOLDERS, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, LICENSORS, OR THIRD PARTY SERVICE PROVIDERS BE LIABLE FOR ANY CONSEQUENTIAL

(INCLUDING WITHOUT LIMITATION, LOSS OF DATA, FILES, PROFIT OR GOODWILL OR THE COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICE), INDIRECT, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, WHETHER IN AN ACTION UNDER CONTRACT, NEGLIGENCE OR ANY OTHER THEORY, ARISING OUT OF OR IN CONNECTION WITH THESE TERMS OF USE, THRIFT-E ONLINE BANKING THE INABILITY TO USE THRIFT-E ONLINE BANKING OR THOSE RESULTING FROM ANY MECHANDISE OR SERVICES PURCHASED OR OBTAINED OR MESSAGES RECEIVED OR TRANSACTIONS ADVISED OF THE POSSIBLITY OF SUCH DAMAGES. THE AGGREGATE LIABILITY OF THE BANK AND OUR THIRD PARTY SERVICE PROVIDERS UNDER THIS AGREEMENT SHALL NOT EXCEED ONE THOUSAND DOLLARS.

Except as specifically provided in this Agreement or where applicable law requires a different result, neither we nor our service providers or other agents will be liable for any loss or liability resulting in whole or in part from any act or failure to act of your equipment or software, or that of an Internet browser provider such as Microsoft (Microsoft Explorer browser) or Netscape (Netscape Navigator browser), by an Internet access provider, by an online service provider or by an agent or subcontractor of any of them, nor will we or our service providers or other agents be responsible for any direct, indirect, special or consequential, economic or other damages arising in any way out of your access to or use of, or failure to obtain access to Online Banking.

Indemnification

Except to the extent that we are liable under the terms of this Agreement, an agreement that otherwise governs your account, if you are an owner of an account, you agree to indemnify and hold us, our affiliates, officers, directors, employees, consultants, agents, service providers, and licensors harmless from any and all third party claims, liability, damages and/or costs (including but not limited to reasonable attorney's fees) arising from (a) an account; (b) the performance of our Thrift-E Online Banking or the Bill Payment Service you elect; (c) a third party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us; (d) any fraud, manipulation, or other breach of these terms; (e) any third party claim, action, or allegation brought against us arising out of or relating to a dispute with you over the terms and conditions of an agreement, purchase or sale of any goods or Thrift-E Online Banking; (f) your violation of any law or rights of a third party; or (g) your use, or the provision of Thrift-E Online Banking or use of your account by any third party. We reserve the right, at our own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you, in which event you will cooperate with us in asserting any available defenses. You will not settle any action or claims on our behalf without our prior written consent. This indemnification is provided without regard to whether our claim for indemnification is due to your use of Thrift-E Online Banking by you or your authorized representative.

Reliance on Your Instructions

We will rely and act on instructions we receive through Thrift-E Online Banking. You are responsible and liable for those transactions to the extent allowed by law and as provided in this Agreement. All such instructions will be considered as having been given to us directly by you and shall have the same authority as your written signature in authorizing us to comply with the instructions.

Liability for Loss of or Erroneous Data

Each party will bear the liability or the risk of any error or loss of data, information, transactions or other losses, which may be due to the failure of their respective computer system or third party communications provider on which each party may rely. We shall have no liability to you for any damage or other loss, direct or consequential, which you may incur by reason of your use of your computer system, including but not limited to damage or loss resulting from date related problems.

Joint and Several Liability

If any one or more of your deposit accounts has co-owners, each co-owner will be jointly and severally liable for any obligation, which arises from the use of Thrift-E Online Banking to access the account(s). This joint and several liability shall extend as well to any line of credit accessed through any such account.

Fees and Charges

Online Banking

With Thrift-E Online Banking, there are no monthly fees or transaction fees for accessing your accounts and using features of the service with the exception of the placement of stop payments, for which there is a stop payment fee. However, fees disclosed separately to you in connection with your accounts such as charges for dropping below minimum balances or insufficient funds, still apply. We reserve the right to change applicable fees and charges at anytime. We will provide you with any notice required by law of any changes to our fees and charges. If your checking account or savings account does not have a sufficient balance to pay applicable fees and charges due, we may exercise our right of off-set against any of your other accounts as provided by law or our Rules and Regulations.

If you access a Bill Payment Service, charges will be assessed against your accounts based on the services provided to you by the Bill Payment Service as well as any other expenses you may incur. These charges should be explained to you at the time you contract for a Bill Payment Service. You hereby consent and authorize the Bill Payment Service to cause your accounts to be debited for these amounts. In addition, any Bank fees associated with your accounts will continue to apply, you also authorize the Bank to debit your account for any ancillary charges that the Bank incurs on your behalf, including any fees charged by the Bill Payment Service to the Bank with respect to any of your transactions. Any item that you authorize for payment

through Spratt Savings and Loan Association BillPay that is returned to Spratt Savings and Loan Association BillPay will incur a return fee of \$30.00 in addition to Spratt Savings and Loan Association's returned item NSF/Overdraft fee.

You are solely responsible for any and all fees relating to communications carriers (*e.g.*, telephone, cable, DSL or satellite), software providers (other than software that we may provide you) and/or Internet service fees that may be assessed by your communications carrier and/or Internet service provider.

Special Provisions for Business Accounts

If your account is a Business Account, you will have inquiry access only. Thus, the provisions of this Agreement relating to rights to transfer funds are not applicable to your Business Account. With rights to inquiry access only, you can benefit by using a variety of services on Web Link including those services described the *Services Available Through Thrift-E Online Banking* section (but the services related to transfer of funds and stop payments described under headings will not apply to your Business Account).

As the rights to transfer funds are not available to Business Accounts, the Consumer Protection Provisions described above will not apply to you. Instead, you agree that the precautions built into Thrift-E Online Banking, including those relating to User ID and Password protocols, are commercially reasonable for you and your accounts.

No Illegal Use of Online Banking; Minimum Age

You agree not to use Thrift-E Online Banking to conduct any business or activity or solicit the performance of any activity that is prohibited by law or any contractual provision by which you are bound. You agree to comply with all applicable laws and regulations in connection with our Thrift-E Online Banking.

You certify that you are at least 18 years of age or older.

Termination or Discontinuation

You may terminate or discontinue Thrift-E Online Banking by giving us at least 10 days prior written notice. You may contact us at SPRATT SAVINGS AND LOAN ASSOCIATION, Online Banking Center PO Box 579 Chester, SC 29706. You will not be entitled to the refund of any prepaid fees or charges. You must tell us your name, address, and the effective date to discontinue Online Banking.

IMPORTANT: When Thrift-E Online Banking is terminated, any prescheduled bill payments made through a Bill Payment Service will not be automatically terminated. Applicable fees and charges will be assessed for any bill payments processed by your Bill Payment Service drawn upon your Account.

We can refuse Thrift-E Online Banking services to anyone. We may terminate your Thrift-E Online Banking at any time without prior notice and with or without cause. If more than one person can access an account through Thrift-E Online Banking, we reserve the absolute right to terminate all Thrift-E Online Banking access to the account(s) upon the request of the account owner, any account co-owner, or any other person authorized to access the account.

Amendments

The terms of this Agreement, applicable fees and service charges may be altered or amended from time to time. In such event, we shall send notice to you at your address as it appears in our records. Any use of Thrift-E Online Banking after a change in terms will constitute your agreement to such change(s). Further, from time to time, we may revise or update the programs, services, and/or related material, which may render all such prior versions obsolete. Consequently, we reserve the right to terminate this Agreement as to all such prior versions of the programs, services, and/or related materials.

Note: The terms and conditions of any Bill Payment Service are governed and subject to change pursuant to a separate agreement between you and the Bill Payment Service.

Assignment

You may not assign this Agreement to any other person or entity. We may assign this Agreement to any company with which we are directly or indirectly affiliated. We may also assign or delegate certain of our rights or responsibilities under this Agreement to independent contractors or other third parties.

No Waiver

We will not be deemed to have waived any of our rights or remedies under this Agreement unless we send the waiver to you by electronic message or we otherwise mail or deliver to you a written waiver signed by us. No delay or omission on our part in exercising any of our rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies we may have. A waiver on one occasion will not be construed as a bar or waiver of any rights or remedies on future occasions.

Address or Banking Changes

You agree to promptly notify Spratt OnLine Banking Center through application messaging or e-mail of any address or transaction Account change. Additionally, at least ten (10) business days in advance of any change in your transaction account or your banking status, you agree to notify Spratt Online Banking Center at 1-888-385-5102 during business hours: Monday through Friday 8:30 a.m. to 5:00 p.m.

Virus Protection

You agree that we are not responsible for any electronic virus that you may encounter using the Thrift-E Online Banking product. We encourage you to routinely scan your PC and diskettes using any up to date, reliable virus protection product to detect and remove any viruses found. Undetected or unrepaired, a virus may corrupt and destroy your programs, files and even your hardware.

Severability

If any provision of this Agreement is held to be invalid or otherwise unenforceable, the remainder of the provisions shall continue in full force and effect and shall in no way be invalidated or otherwise affected.

Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to its conflicts of laws provisions, and applicable federal law.

Ownership of Materials

The content and information on our Website is copyrighted by SPRATT SAVINGS AND LOAN ASSOCIATION and the unauthorized reproduction or distribution of any portions is prohibited.

Captions

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions for this Agreement.

Acknowledgement and Acceptance of the Spratt Savings and Loan Association Thrift-E Online Banking Agreement

We certify herewith that we have read, understand and agree to the terms and conditions of this Agreement.

_____ **Date** _____

_____ **Date** _____

_____ **Date** _____

_____ **Date** _____

