

MONTECITO BANK & TRUST

BUSINESS ONLINE BANKING AGREEMENT

This Agreement, which includes the Enrollment Form, is a contract by and between **Montecito Bank & Trust** (hereinafter referred to as "Bank") and _____ (hereinafter referred to as "Customer"). It establishes the rules that cover your electronic access to your accounts at Montecito Bank & Trust through Business Banker (hereinafter referred to as "System"). By using System, you agree to and understand the terms and conditions below.

I. Agreement

A. This Agreement is in addition to other agreements between Bank and Customer, including but not limited to (as applicable), your checking, savings, and other deposit account agreements and any agreements with respect to loans or other extensions of credit (collectively "other agreements"), as may be modified from time to time. If there is a conflict between the terms and conditions of this Agreement and those contained in the other agreements, this Agreement will control. This Agreement, together with the Enrollment Form, and any other agreement as applicable and incorporated by reference within this Agreement constitute the entire agreement between you and Bank with respect to the subject matter of this Agreement and there are no understandings or agreements relative hereto which are not fully expressed herein. Each time you use, or permit any other person, to use System Services, you are agreeing to the terms and conditions that we have set out in this Agreement, as amended, as well as any instructional material which we may provide to you regarding the System Services, including instructions presented to you at our website.

B. This Agreement is also subject to applicable federal laws and the law of the State of California (except to the extent this Agreement can and does vary such rules or laws). If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (express or implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement. This Agreement is binding upon your heirs and Bank's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement. This Agreement, together with the Enrollment Form, and any supplement agreement as applicable constitute the entire agreement between you and Bank with respect to the subject matter hereof and there are no understandings or agreements relative hereto which are not fully expressed herein.

C. Definitions – As used in this Agreement, the words "we", "our", "us" and "Bank" mean Montecito Bank & Trust. "Customer", "you" and "your" refer to the accountholder authorized by Bank to use System under this Agreement and anyone else authorized by that accountholder to exercise control over the accountholder's funds through System. "Account" or "accounts" means your accounts at Bank. "Electronic funds transfers" means ATM withdrawals, pre-authorized transactions, point of sale transactions, transfers to and from your Bank accounts using System including bill payments. "System Services" means the services provided pursuant to this Agreement, including the Bill Payment Service. "Business days" means Monday through Friday. Holidays are not included. "Effective Date" means the day the funds are deposited in the account. "Company Administrator" is a person who is able to provide Security Codes to, and establish access and use authority and/or limitations, for Sub-Users. "Communication(s)" means instructions and actions from you (or attributable to you under this Agreement or otherwise) received by us through the System. Communications include payment orders, transfers, bill payments, automated clearing house (ACH) entries, electronic funds transfers, or other instructions or requests for use of a System Service. "Security Codes" are the credentials (such as login IDs and passwords) that are associated with you and used by us to verify the authenticity of Communications from you. Security Codes include any supplemental or alternative methods (including, without limitation, Security Tokens, dual controls, access time restrictions, etc.) used to verify the authenticity of Communications. A "Sub-User(s)" is a person other than the Company Administrator who uses Security Codes to access the System. The Company Administrator, and not the Bank, controls the designation of Sub-Users and the access or other limitations (if any) placed on a Sub-User's use of the System. The word "may" when used in reference to us, means at our option and sole discretion. Action (or inaction) that we "may" take is authorized by you and allowed to us, but is not required. You agree and authorize us to take such action, or inaction, at our discretion and further agree that we will not be liable for any action taken or any failure to act when action or inaction is at our discretion. "System Services" means the services provided pursuant to this Agreement, including (without limitation) the System itself. "Mobile Banking Service(s)" is the mobile app which offers similar functionality to the online banking interface.

D. Customer acknowledges that the automated clearing house system may not be used in violation of, and that entries originated by Customer must comply with, the laws of the United States, including sanction laws administered by the Office of Foreign Asset Control.

E. Pursuant to the Unlawful Internet Gambling Enforcement Act and Regulation GG (12 CFR 233.1, et seq.), restricted transactions (as defined in the regulation) are prohibited from being processed through the System. Restricted transactions generally include, but are not limited to those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by another party in unlawful internet gambling. Such restrictions may affect some otherwise proper or allowable transactions. You understand and agree such restrictions are not within the bank's control and that the bank will not have any liability, responsibility or culpability whatsoever for any such transactions by you or any authorized signer(s); or for declining to accept, process, or pay any such transaction. You further agree to indemnify and hold the bank harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from any such use of the System.

F. Bank may in its sole discretion refuse to accept or otherwise execute any request for Services (including Wire Transfer and Account Transfer Requests), whether for cause or without cause, and shall have no liability for such refusal. Should any request not be performed by Bank in accordance with instructions received by Customer, Bank shall notify Customer on or before the next business day of Bank, or otherwise by more expeditious means (including telephone notice). Any transactions through the Automated Clearing House must be pursuant to the terms of a separate ACH Agreement. Payment orders for processing wire transfers must be made pursuant to the terms of a separate Funds Transfer Agreement.

II. Access

A. . To use the browser-based Services, you must have sufficiently powerful hardware and appropriate software. At this time, this includes an internet browser that supports 128-bit encryption. If you use an unsupported internet browser, you may not be able to access all features of the Services. Current supported browsers are:

- Apple Safari versions 6 – 9 (Mac OS only)
- Google Chrome
- Mozilla Firefox
- Microsoft Internet Explorer version 11.x
- Microsoft Edge

To access and utilize the Mobile Banking Services, you will need a compatible Wireless Access Device that supports 256-bit encryption. You are responsible for obtaining and maintaining the compatible Wireless Access Device required to use the Mobile Banking Service. To access Mobile Banking service and functions, your Wireless Access Device must be Internet enabled and connected to the Internet through your mobile communications service provider. In order to properly use the Mobile Banking Services, you should review and follow the instructions provided in the System. You agree to accept responsibility for learning how to use the Mobile Banking Services in accordance with the online and mobile application instructions and agree that you will contact us directly if you have any problems with Mobile Banking Services. You also accept responsibility for making sure that you know how to properly use your Wireless Access Device. If you obtain a different Wireless Access Device, you will be required to download and install software, to that different Wireless Access Device, under the same terms set forth in this Agreement, as amended. You agree to delete all such software from your Wireless Access Device promptly if the licenses or this Agreement terminate for any reason. We reserve the right to change, add to, or terminate services with our third-party software providers, to substitute different software providers, and to enter into or arrange for the provision Wireless Banking Services by other licensors and third-parties. Some services may require you to download software from our website; in some cases, we may place software on your computer as part of our security and/or verification tools. You agree to abide by the intellectual property rights of others with respect to all software used by you or us in connection with the Services; among other things, you will not transfer, use, copy, disseminate, reverse compile, modify or alter, or otherwise appropriate any software code or program except as allowed and for the purpose of performing approved Services. You agree to maintain the confidentiality of the Security Codes at all times and not to provide access to them to anyone that you do not authorize to access your Accounts through the Services. You expressly acknowledge that any wireless access to the Services initiated by you may not be secure and, in such cases, you assume the risk associated with unauthorized access to the Service and any information contained therein, resulting from such wireless connectivity.

B. Once we have received your signed Enrollment Form, and verified your account information, we will send you by postal mail confirmation of our acceptance of your enrollment, along with your temporary password. We will send an email, to the email address provided on the application, containing your assigned Access ID. System can be used to access only the Bank accounts that you have designated for access by System in your Enrollment Form. You can add or delete any of your Bank accounts from this Agreement by having the Company Administrator notify us by secure message in the System, by e-mail at online@montecito.bank or in writing. Access to your accounts through System will be based upon the identification of users and authority levels specified by you in your Enrollment Form. Other than the security procedures, we undertake no obligation to monitor transactions through System to determine that they are made on behalf of the accountholder. Customer will be responsible for acquiring, maintaining and operating all computer hardware, software, virus detection and communications at its premises. Eligible Accounts include the following types, checking, money market, savings, and time deposits. In some cases, we may allow loans and lines of credit to be linked, in which case you agree that the relevant loan agreement, note or other document is modified to the extent necessary to allow the transfers or other System Services that may be utilized. Certificates of deposit are time deposits where early withdrawals may result in a penalty. No online transactional activity is allowed on certificates of deposit, which are view only. Accessibility of and to Accounts may vary based on the System Service(s) you use. You agree to review the configuration of your Account(s) at commencement of the System Services, and periodically thereafter, and to restrict Sub-User access to Accounts and to specific System Services on these Accounts in accordance with your risk assessment.

C. Hours of Access - You can use the System seven days a week, twenty-four hours a day, although some or all System Services may not be available occasionally due to emergency or scheduled system maintenance. Access may also be slow due to a high volume of Internet traffic. System and/or System Services may be added, cancelled or limited at any time or from time to time, with or without cause or notice to you (except as required by law). You understand that the System may be available during hours when Bank is not open for business, and thus Bank execution of any requests or instructions may be delayed until the opening of the next business day. At our option, however, we may treat it as received the same day as the day of receipt. There can be a delay between the time when you send a Communication to us and the time we receive it. Bank will not be responsible for any losses or inconveniences caused by the cancellation, unavailability, or limited access of the System Services.

III. Security

A. You understand the importance of your role in preventing misuse of your accounts through System and you agree to promptly, not to exceed 30 days, examine your paper statement for each of your Bank accounts as soon as you receive it. You agree to protect the confidentiality of your accounts and account number, and your personal identification information, such as your driver's license number and social security number. You understand that personal identification information by itself or together with information related to your account, may allow unauthorized access to your account. Your password and Login ID are intended to provide security against unauthorized entry and access to your accounts. Data transferred via System is encrypted in an effort to provide transmission security and System utilizes identification technology to verify that the sender and receiver of System transmissions can be appropriately identified by each other. Notwithstanding our efforts to insure that the System is secure, you acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing System, or e-mail transmitted to and from us, will not be monitored or read by others. Your Security Codes, will give access to your accounts through the System. We may offer to you or require you to use additional authentication tools or methods from time to time. If you choose not to implement supplemental authentication tools, your access to some or all System Services may be limited.

B. Your Password - For security purposes, you are required to change your password upon your initial login to System. You determine what password you will use and the identity of your password is not communicated to us. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. Upon three (3) unsuccessful attempts to use your password, your access to System will be revoked. To re-establish your authorization to use System, you must contact us to have your password reset. Your password must be between ten and thirty-two characters in length and contain both alpha and numeric characters. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, date of birth, names of children, and should be memorized rather than written down.

C. Your Security Token – If Customer is set up in System to initiate ACH debit and credit entries (pursuant to and consistent with the terms of a separate ACH Agreement) and/or to initiate other payment orders (pursuant to and consistent with the terms of a separate Funds Transfer Agreement), Customer must use a Security Token to access System. Any additional users created by Customer must also access

System with a Security Token if they have access to initiate ACH debit or credits and/or other payment orders. Please contact the Bank for additional Security Tokens.

D. Dual Controls – System allows Customer to require secondary approval of any transfer request (account to account, ACH debit or credit, and other payment orders) and some other System functions. Bank recommends that Customer implement this option.

E. Access Time Restrictions – System allows Customer to restrict the hours of access for users. Bank recommends that Customer restrict user access to business hours.

F. Risk Assessment – Bank recommends that Customer complete a Risk Assessment annually. This Risk Assessment should determine reasonably foreseeable threats to the security and protection of Customer access and authentication to System.

G. In addition to the Security Codes as security procedures, we may from time to time offer supplemental security procedures, and you agree to consider them. You agree to follow any instructions we provide to you about using, storing or otherwise related to security procedures. You agree to consider the size, type and frequency of the payment orders or other money transactions you will or intend to use the System Services to accomplish. You agree to consider the risks presented by the possibility of unauthorized access to the System Services, including the risk loss to you that we may process Communications and instructions that are your responsibility even though they were not authorized by you. Customer agrees that the Security Codes and the methods of authentication that make up the Security Codes, as may be modified from time to time, is a commercially reasonable security procedure. Customer bears the risk of, and is liable for, unauthorized transactions that occur as a result of its refusal to implement aspects of the security procedure against Bank's recommendation. You agree to use System Services only after determining, and only for so long as you continue to determine, that the security procedures used by you are a commercially reasonable method of providing security against unauthorized payment orders or other Communications. Customer's continued use of System Services constitutes its agreement that the security procedure used by Customer is commercially reasonable. You agree to notify us if your use of System Services would necessitate or be better served by a level of security that exceeds that offered by the System Services. If you fail to notify us, then you acknowledge and agree that the security procedures of the System Services are appropriate for your needs and will provide you with a commercially reasonable degree of security against unauthorized use.

IV. Liability for Unauthorized Access and Unauthorized Transactions on Accounts

A. You are responsible for and bound by any Communication we receive in your name through a the System if the Communication: (a) comes from an authorized person, Company Administrator or a person designated by the Company Administrator as a Sub-User to access System with Security Codes; or (b) is authenticated using security procedures, as described in this Agreement, even if not authorized by you; or (c) is legally binding on you under the laws of agency, contract or otherwise.

B. Your "authorized persons" includes each person who is (1) authorized by you to conduct business with us, including as part of your corporate resolution(s) or account management resolution(s); or (2) a principal officer of yours (such as your CEO if you are a corporation, or a partner in a partnership, or a manager in an LLC); or (3) otherwise authorized (or deemed authorized) to act on your behalf, whether under this Agreement or any other agreement with us, by the laws of agency, or under by any other state or federal law, rule or regulation.

Customer understands that each authorized person may utilize System Services without regard to any restrictions otherwise applicable to an account. For example, if an employee is given authorization to direct wire transfers from a given account, that person can initiate the wire transfer whether or not the employee has been authorized to do so according to the signature card applicable to the account. Similarly, if an employee's signature authority is over account "A" but not over account "B", but the employee is given authorization to transfer funds from account "B" to account "A", the employee could transfer funds from "B" to "A" and then withdraw funds from "A". Thus, if an employee is given authorization to access an account, transactions initiated through System Services are authorized even if the same transactions would have been beyond his or her authority (including any dollar or signature limitations) had it been initiated other than through System Services.

Customer agrees that any arrangements with Bank to require one or more authorized signatures or to create dollar limitations for transactions involving Customer's accounts do not apply to transactions using the System.

C. You will be required to designate a Company Administrator on the Enrollment Form. You (through the Company Administrator) then control the System Services and access to them. Your Company Administrator may establish Sub-Users. The Company Administrator is also responsible for assigning all persons with the Security Codes that are necessary to access System Services and for establishing what, if any, limitations will apply (including what level of activity is appropriate for each account). The System will allow the Company Administrator to establish authority levels to help you manage additional Sub-Users and control use of various System Services. The levels are used to specify who can access specific accounts, what dollar amounts Sub-Users are authorized to handle and what functions a Sub-User can access when transacting on an account using the System Services. The Company Administrator changes and maintains your Security Codes. The Company Administrator will have full access to your accounts and to any future accounts you may open. The Company Administrator will be able to and will be responsible for maintaining your System settings and Sub-User security. Access to your Bank account(s) through System Services will be based upon authority established by the Company Administrator, who you agree may specify usage levels. You must call us immediately to notify us if you terminate or change the Company Administrator. You must also notify us if you add or delete accounts or functionalities.

We will not control or oversee the Company Administrator or any activity or function of a Company Administrator or other Sub-User. You agree to the creation of a Company Administrator and to all action taken by the Company Administrator. You agree to all action taken by any Sub-User and by any person given access to one or more System Services by the Company Administrator or by a Sub-User, and all such persons are your agent for purposes of use of the System Services. You further agree to assume all risks associated with providing Security Codes to your Company Administrator, understanding that this can result in Sub-Users and possibly other persons obtaining access to your account without control or monitoring by us. You are responsible for establishing authorization parameters and/or limits for each person you authorize to use the System Service.

The fact that Bank is or may be aware of, or could have discovered, any limitation on Sub-User authority or access to the System Services does not make Bank obligated to enforce or attempt to enforce any limitation, or create any liability for action or inaction by Bank to the extent such action or inaction is consistent with the Sub-User authority function on the System Services.

D. The Security Codes are security procedures. You agree that we may use the security procedures to verify the authenticity of Communications that are received by us in your name. If we verify the authenticity of a Communication or instruction received in your name using the security procedures, we may rely on it and you will be obligated on the Communication or instruction, whether or not it was authorized by you. On the other hand, if a Communication or instruction was authorized by you or if you would otherwise be bound by it under this Agreement, you will be obligated on it even if we did not verify its authenticity using the security procedures and even if the security procedures would have prevented error. You agree that the security procedures are intended to verify authenticity and not to detect error.

Customer assumes all risks associated with the specifications of authorities of Sub-Users and authorized persons by Company Administrator, another Sub-User, or another authorized person, and all risks associated with disclosure of any code or password to its employees. Customer agrees to limit disclosure of Security Codes, including passwords to those employees it will authorize to use the System Services or who have a specific need to know. Customer will establish procedures to protect the confidentiality of all information relating to the System Services, including all Security Codes, and will promptly notify Bank if Customer knows or suspects that Security Codes, including passwords or other

security information is stolen, compromised, or misused. Customer will require persons given authority to access System Services to create new passwords at reasonably frequent periods, based on Customer's assessment of the security requirements appropriate for the System Services utilized by Customer.

V. Fees and Charges

A. You agree to pay Bank's standard fees for your use of System Services as set forth in the current "Statement of Fees and Charges" schedule, as such fees may change from time to time. Bank will notify Customer of any change in the fees. You agree all such fees and charges will be deducted from the Bank checking account designated as the "Primary Checking Account" on your Enrollment Form. If you close your Primary Checking Account, you must contact us immediately to designate another account as your Primary Checking Account. If the Primary Checking Account is closed for any reason, System services may be stopped, along with any unprocessed System requests of any kind. To reinstate System, Customer is required to contact Bank and designate a new Primary Checking Account. You agree to pay any additional reasonable charges for services you request that are not covered by this Agreement. Customer understands that the System services fees do not include the fees and charges that may be imposed by Bank with respect to an account under the terms and conditions applicable to such account as set forth in the account agreement governing such account. You are also responsible for telephone and Internet service fees you incur in connection with your use of System. If you do not use the System Services for any 90-day period, we reserve the right to discontinue your System Service(s) without notice to you. To the extent permitted by law, you give us the right to set off any of your money or property which may be in our possession against any amount owed to us under this Agreement

V. System Services

A. You can use System to check the balance of your Bank accounts, reconcile your account, view Bank account histories, transfer funds between your Bank accounts, make stop payment requests, and pay bills from your Bank accounts in the amounts and on the dates you request if you have enrolled in the Bill Payment Service. The System may also be used to initiate ACH debit and credit entries (pursuant to and consistent with the terms of a separate ACH Agreement) and to initiate other payment orders (pursuant to and consistent with the terms of a separate Funds Transfer Agreement).

B. Balance information obtained through the System will reflect all credit and debit information as of the end of the previous banking day. We will periodically update your current balance throughout the day. Customer's balance may reflect deposits not yet available to Customer under the Bank's funds availability policy, including current day deposits.

C. Customer agrees to maintain sufficient available funds (as determined by Bank's funds availability policy) in each Bank account accessible via the System to cover all transfers or other requests initiated by Customer and affecting the account, or such higher amounts as Bank may specify from time to time. We may hold (or "freeze") funds at any time for any reason after you have enrolled in the a System Service, including as a means of reducing risks that there will be insufficient funds as a result of transactions conducted via the a System Service. If we do hold funds, we may treat the held funds as not available for other purposes, and reject other transactions (for example, checks or other transfer instructions) in any order we choose. We may allow overdrafts/overlimits or negative balances, but we also may discontinue the practice at any time with or without prior notice to you. We may prevent or reverse any payments or other System Services in any order that we choose as a means of preventing or recovering any overdrafts or other exposures. If you do not have sufficient or available funds or credit, you may be charged an overdraft or other fee (such as fees for returned checks or other electronic items). Refer to the "Fees and Charges" section of this Agreement for fee details. Nothing in this Agreement, or any course of dealing between us, shall be construed as our commitment or obligation to lend you money

D. Customer agrees the Customer's funds may be held by Bank for a period of time following termination of the System to protect Bank against any possible losses relating to the use by Customer of the System. Customer grants to Bank a security interest in such funds as security to Bank for any losses or claims, whether existing or potential and whether current or reasonably anticipated to arise, arising out of Customer's use of the System services.

E. Posting of Transfers - Transfers initiated through System on or before 5:00 p.m. (Pacific Time) on a business day are posted to your account the same day. Transfers completed after 5:00 p.m. (Pacific Time) on a business day, or any time Saturday, Sunday or banking holiday, will be posted on the next business day. System identifies transfers based upon the Login ID of the user who made the electronic transfer. You agree to communicate with any other persons with authorized access to your accounts concerning any transfers or bill payments from your accounts in order to avoid overdrafts.

F. Limits on Amounts and frequency of System Transactions – The number of transfers from Bank accounts and the amounts that may be transferred are limited pursuant to the terms of the applicable deposit agreement and disclosure for those accounts. If a hold has been placed on deposits made to an account from which you wish to transfer funds, you cannot transfer the portion of the funds held until the hold expires. If a transfer request (or a request for cancellation or amendment of a transfer request) received by Bank purports to have been transmitted or authorized by Customer, it will be deemed effective as Customer's transfer request and Customer will be obligated to Bank for the amount of the transfer request, even though the transfer request was not authorized by Customer, provided Bank acted in compliance with the Security Procedures. If a transfer request (or a request for cancellation or amendment of a transfer request) received by Bank was transmitted or authorized by Customer, Customer shall be obligated to pay the amount of the transfer as provided herein, whether or not Bank complied with the security procedure referred to in the Agreement with respect to that transfer request and whether or not that transfer request was erroneous in any respect or that error would have been detected if Bank had complied with such procedure. The amount of transfer is limited to the amount of available balance in the account on the day the transfer is requested. There must also be sufficient available funds in your account on the effective date of transfer. Customer acknowledges and agrees that if a transfer request describes the beneficiary or the beneficiary's bank inconsistently by name and account or other identifying number, execution of the transfer request will occur on the basis of the account or other identifying number, even if it identifies a person different from the named beneficiary or beneficiary's bank, and that Customer's obligation to pay the amount of the transfer request to Bank is not excused in such circumstances.

G. Authorization and Processing Transfer Requests- Customer is responsible for controlling access to the System and for any limitations placed by Customer on the System an authorized person may utilize. Customer agrees immediately to notify Bank in the event an Authorized Officer of Customer ceases to be an Authorized Officer. Customer accepts all risks and responsibilities attendant in the fact that the system operates in a manner that precludes Bank oversight of individual transactions except pursuant to the security procedures in the System. The fact that Bank is or may be aware of, or could have discovered, any limitation on User authority or access to the System does not make Bank obligated to enforce or attempt to enforce any limitation, or create any liability for action or inaction by Bank to the extent such action or inaction is consistent with the User authority function on the System. If authorization is granted to allow inquiries and/or transfers of funds of different corporations in which Corporation A ("A") and Corporation B ("B") both agree, then both Corporation A and B are required to sign an access Agreement. A and B will be required to provide Board Resolution approving the authorization allowing A to access the accounts of B and A approving the authorization allowing B to access the accounts of A.

H. System Bill Payment Service - By using the System Bill Payment Service option, you agree that, based upon instructions received under your password, we can charge your designated account by electronic transfer, "no signature required draft", or by debiting and remitting funds on your behalf. You also agree that your System bill payment will be charged to your Primary Checking Account. We reserve the right to

refuse to pay any payee designated by you. If we do so, we will notify you promptly. For full features, limitations, and information on the Bill Payment Service, please see the Business Bill Payment Addendum to the Business Online Banking Agreement.

VI. Stop-Payment Requests

A. Stopping the payment of a check is different from the cancellation of a bill payment. Once the bill payment has been debited from your account, you CANNOT cancel or stop a bill payment that has been paid electronically. You may be able to stop a System bill payment paid by paper draft by contacting us by telephone before the paper draft has cleared. (You will have to contact us by telephone, 800-348-0146, to determine if the paper draft has cleared.) If the paper draft has not cleared, we will process your stop-payment request. We will notify you if the paper draft has already cleared. To be effective, this type of stop-payment request must precisely identify the name of the payee, the payee-assigned account number, the amount and scheduled date of the payment, and the confirmation number from the Bill Payment screen.

B. You may initiate Stop-payment requests on-line via System only for paper checks you have written (non-electronically) on your Bank accounts (not System bill payer paper drafts) that have not yet been paid by the Bank. To be effective, this type of stop-payment request must precisely identify the name of the payee, the check number, the amount, and the date of the check. Requests received after our cut-off hour, currently 6:00 PM or on a day that is not a business day may be deemed received the following business day. For significant or material items, contact us by telephone or by coming to one of our branches in addition to using the System.

C. A stop-payment request received by Bank via the System may be treated by Bank as an authorized stop payment. Any loss suffered by Customer due to Customer's failure to accurately identify the item to be stopped in the stop-payment request will be the responsibility of the Customer and not of Bank.

D. No stop-payment request will be effective against a check that has paid prior to the time that the Bank has both received the order and had a reasonable period of time to respond to the order. You understand that it is your responsibility for determining whether a check you have written from your Bank account has or has not previously paid, and that Bank will not.

E. At the time Customer submits a stop-payment request via the System, Customer agrees to access the appropriate account through the System, and to review prior account statements and other Customer records, and determine whether the check to which the stop-payment order relates has or has not already paid. Customer understands the System's account history is for only the current and prior twelve month's activity. A review of prior records may be warranted in addition to using the System. Customer agrees to review the System's stop payment journal for the applicable account in which the stop-payment request was placed on the banking day following Customer's submission of any stop-payment request, and immediately notify Bank if the account history reflect improper receipt by Bank.

F. Customer acknowledges that the information regarding the status of individual checks will not include transactions, including cash payments, on a check that occur on the same banking day as the date of receipt of the stop-payment request. Customer acknowledges that a transaction search through System will not inclusively reveal whether a check has been paid until the banking day after the banking day on which the stop-payment request is received by the Bank. Any loss suffered by Customer due to Customer's decision to issue a new or replacement check, or to take any action, based on information in the System prior to the next banking day after the banking day on which the stop-payment request has been received by Bank will be the responsibility of the Customer and not of the Bank.

G. Customer acknowledges that a review of the System account history and of Customer's account records may fail to reveal a check was previously paid, in which case Bank will not be responsible for any loss suffered by Customer. Bank may, but is not obligated to notify Customer if Bank determines the check was paid on the day the stop-payment request was received by Bank.

H. Stop-payment requests remain in effect for six months, unless renewed for a successive six-month period. After expirations of a stop-payment request, a check may be paid even though the check is "stale" or "stale dated".

I. Stop-payment requests may be cancelled by providing authorization to Bank by telephone or by writing Bank. Stop-payment requests are automatically cancelled when the account on which the check is drawn is closed and/or at the end of the six month term of the order (unless renewed).

J. Under certain requirements, a holder of a check may be entitled to enforce payment against Customer even when a stop-payment request is in effect.

VII. Account Notifications

You may have the ability to set up an account notification ("Alert") feature which is a convenience feature that permits you to request automated notification of specific situations. For example, you may request an Alert when an account has reached a certain balance or a check has been processed. You are responsible to input accurate information to set up the account notifications. Alerts do not replace standard communications you receive from us concerning your accounts. Receipt of Alerts may be delayed, or prevented by factor(s) affecting your Internet service provider(s), phone operator(s), and other relevant entities. We neither guarantee the delivery or the accuracy of the contents of any Alert. We will not be liable for losses or damages arising from (a) non-delivery, delayed delivery, or wrong delivery of any Alert; (b) inaccurate content in an Alert; (c) your use or reliance on the contents of any Alert for any purposes. We reserve the right to terminate any request from you, for any Alert, at any time. The information in any Alert may be subject to certain time lags and/or delays. You will manage the types and timing of your Alerts, and the Alerts may be stopped or suspended by you at any time. Some security alerts, such as password changes or email address changes, are controlled by the Bank and cannot be stopped or suspended by you.

VIII. Business Use/Compliance with Procedures/Protection of the System Services

A. Customer agrees to use the System only for business purposes and not for personal, family or household purposes. Customer understands that Regulation E of the Board of Governors of the Federal Reserve System does not govern transactions involving, Bank's or Customer's obligations or rights in connection with the System.

B. Customer agrees to use the System solely for the purpose intended and in accordance with other Bank procedures and agreements (as amended from time to time) which may be applicable to use of the System and the related accounts.

C. Customer assumes all risks associated with the specifications of User authorities by employees of Customer, and all risks associated with disclosure of any code or password to its employees. Customer agrees to limit disclosure of codes and/or passwords to those employees it will authorize to use the System or who have a specific need to know. Customer will establish procedures to protect the confidentiality of all information relating to the System services, including all codes and passwords, and will promptly notify Bank if Customer knows or suspects that codes, passwords or other security information is stolen, compromised, or misused. Customer will require persons given user Authority to create new passwords at reasonably frequent periods, based on Customer's assessment of the security requirements appropriate for the System services utilized by Customer.

D. Disclaimer of Warranty and Limitation of Liability - We make no warranty of any kind, express or implied, including any implied warranty or merchantability or fitness for a particular purpose, in connection with the System services provided to you under this Agreement. We do not and cannot warrant that System will operate without errors, or that any or all System services will be available and operational at all times. Further, in no event shall the liability of Bank and its affiliates exceed the amounts paid by you for the services provided to you through System over the most recent six (6) months.

IX. Error Resolutions

A. Customer agrees to notify Bank promptly (i) of any discrepancy between Customer's records and the periodic account statements furnished by Bank to Customer, or (ii) if a transfer purportedly made on Customer's behalf or charged to Customer's account was not authorized by Customer, was erroneous or was executed improperly.

B. If Customer fails to notify Bank within 30 days after Customer received notice of an unauthorized or erroneous transfer, Bank will not owe Customer any interest on the amount in question even if Bank is otherwise liable to Customer in connection with the transfer or other communication or is obligated to credit Customer for the amount of the transfer or any portion thereof, nor will Bank be liable for any other losses resulting from Customer's failure to give such notice with respect to a transfer shown on such periodic statement. If Customer fails to notify Bank of any such discrepancy within one (1) year, Customer shall be precluded from asserting such discrepancy against Bank.

X. Right to Terminate

A. The term of this Agreement shall begin on the effective date of the Agreement, which shall be the day a copy of the Business Online Banking Agreement signed by Customer is delivered to and executed by Bank, and shall end at 12:01 a.m. local time of Bank, on the first anniversary thereof. Unless otherwise terminated by either party as set forth below, this Agreement shall renew for successive terms of one year each.

B. You may cancel your System service at any time by providing us with written notice by postal mail or in person. Your access to System will be suspended within ten (10) business days of our receipt or such later date as is specified in notice to cancel the service. You will remain responsible for all outstanding fees, Bill Pay requests and charges incurred prior to the date of cancellation.

C. You agree that we can terminate or limit your access to System services for any of the following reasons:

- 1) Without prior notice, if you have insufficient funds in any one of your Bank accounts. System service may be reinstated, in our sole discretion, once sufficient funds are available to cover any fees, pending transactions, and debits.
- 2) Upon three (3) business days notice, if you do not contact us to designate a new Primary Checking Account immediately after you close your Primary Checking Account.
- 3) Upon reasonable notice, including immediately, for any other reason in our sole discretion.

XI. Assignment

Bank has the right to offer the System services through an affiliate or unrelated third party. In order to provide the System to Customer through this type of arrangement, Customer authorized Bank to disclose information on Customer's accounts and services to the affiliate or third party that provides the Services. Customer hereof may make no assignment without the consent of Bank.

XII. Force Majeure and Limitation of Liability of Bank

A. Notwithstanding any other provision of this Agreement, Bank shall not be liable for any loss, expense or delay caused by accidents, strikes, fire, flood, war, riot, electrical or mechanical failure, software, acts or omissions of the Customer, or any other third parties (including but not limited to acts or omissions of any telephone or telecommunications carrier), acts of God or any other cause or causes which are beyond its reasonable control. Bank's entire liability and Customer's sole remedy under this Agreement, whether or not the claim is in contract or tort, shall not exceed an amount of the fees charged by Bank to Customer for Customer's use of the Services during the three (3) month period preceding the date of the alleged negligence or breach.

B. IN NO EVENT WILL BANK, ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, OR INDIRECT LOSS OR DAMAGE WHICH CUSTOMER MAY INCUR OR SUFFER IN CONNECTION WITH BANK'S ACTIONS OR OMISSIONS IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM ANY SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM SUCH ACTS OR OMISSIONS. BANK'S ENTIRE LIABILITY AND CUSTOMER'S SOLE REMEDY UNDER THIS AGREEMENT FOR DAMAGES (MONETARY OR OTHERWISE) RESULTING FROM CLAIMS MADE BY CUSTOMER OR ANY OTHER THIRD PARTY ARISING FROM OR RELATED TO ANY AND ALL CAUSES COVERED BY THIS AGREEMENT WILL BE LIMITED TO THE AMOUNT OF ACTUAL DAMAGES INCURRED BY CUSTOMER.

C. Indemnification - Notwithstanding any provision of this Agreement to the contrary, Customer agrees to indemnify, defend and hold Bank harmless against any loss, damage, harm or expense (including attorney's fees and expenses) suffered or incurred by Customer or Bank as a result of, or arising out of, action or inaction by Bank under this Agreement.

D. This Agreement is governed by the laws of the State of California. The successful party in any such action shall be entitled to recover from the unsuccessful party, in addition to any other relief to which it may be entitled, reasonable attorneys' fees and costs incurred by it in prosecuting or defending such action.

XIII. Disclosure of Account Information

A. You understand information about your accounts or the transfers you make may automatically be disclosed to others. For example, tax laws require disclosure to the government of the amount of interest you earn, and some transactions, such as large currency and foreign transactions must be reported to the government. We may also provide information about your accounts to persons or companies we believe would use the information for reasonable purposes, such as when a prospective creditor seeks to verify information you may have given in a credit application or a merchant calls to verify a check you have written. In addition, we routinely inform credit bureaus when accounts are closed because they were not handled properly. We may also seek information about you from others, such as the credit bureau, in connection with the opening or maintaining of your account or in connection with approving your access to System. You agree and hereby authorize all of these transfers of information.

B. Periodic Statements - You will not receive a separate System statement. Transfers to and from your accounts using System will appear on the respective periodic paper statements for your Bank accounts.

C. Change in Terms - We may change any term of this Agreement at any time. Bank may amend any part of this Agreement, including any schedule hereto, from time to time immediately upon notice to Company. Your continued use of any or all of the subject System Services indicates your acceptance of the change in terms. We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that the applicable deposit agreements and disclosures govern changes to fees applicable to specific accounts.

XIV. Communications between Bank and You

Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways:

- ◆ E-Mail – You can contact us by e-mail at **online@montecito.bank** (Please note that banking transactions through System are not made via e-mail.) Messages sent by e-mail, may not be secured, may be intercepted by third parties and may not be immediately received by the appropriate department at Montecito Bank & Trust.
- ◆ Secure Message – You can contact us by secure message by logging into System and clicking on "Messages."

- ◆ Telephone – You can contact us by telephone at 1-800-348-0146 (Toll Free) or (805) 564-7358
- ◆ Telephone Bill Pay – You can contact us by telephone at (866)-866-2910. (Toll free)
- ◆ Postal Mail – You can write to us at:
 - Montecito Bank & Trust
 - Attn: Online Banking Department
 - P. O. 2460
 - Santa Barbara, CA 93120-2460

Unless another address is substituted by notice delivered or sent as provided herein, except as otherwise expressly provided herein, any such notice shall be deemed given when sent or received by Bank.

Consent to Electronic Delivery of Notice – You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and future disclosures required by law, including electronic fund transfer disclosures, may be made electronically by posting the notice on the Bank System website or by e-mail. You agree to notify us immediately of any change in your e-mail address.