# Welcome to Highlands State Bank® Internet Banking Center

You must have a deposit account, loan account or a Highlands State Bank ATM/Debit Card to enroll in Internet Banking.

We are sure you will find Internet Banking fast and convenient, 24 hours a day, 7 days a week. With Internet Banking, you will be able to review account activity, transfer funds, make loan payments, pay your bills online and securely email the bank with account questions and requests.

When enrolling, do not use the Back or Forward buttons on your browser. Please use the buttons on the screen to navigate instead. Before you begin enrollment, please read the following, you may print it for your records if you choose:

## Important Information for New Users

Once we verify the information you have provided, you will be asked to enter a User ID and Password. User ID's must be between 8 and 32 characters, are case sensitive and must contain at least 2 numbers and 2 letters. If we cannot verify your information, we will send you your User ID by mail and your Password by e-mail no later than the 2nd business day after enrollment. If you have problems during the enrollment process, please contact us at 973-764-3200 during normal business hours.

## System Security and Browser Information

The security of your financial information is our highest concern. We have put procedures in place to make sure your information is secure. To insure the security of your password, never share it with anyone. When the Windows screen asks if you would like your User ID and/or password remembered, always say no. Do not use easily identifiable words for your user ID or password such as your name or social security number

The bank utilizes a secure server to ensure that your personal information is safely transmitted over the internet. We recommend that you use the most current version of your preferred browser when banking online. We support the following operating systems and browsers:

| Operating System | Microsoft Internet Explorer | Apple Safari® | Mozilla FireFox® | Google Chrome™ |
|---|---|---|---|---|
| Windows 7 | 11.0 | N/A | 48.0 | 53.0 |
| Windows 8.1 | 11.0 | N/A | 48.0 | 53.0 |
| Windows 10 | 11.0, Edge | N/A | 48.0 | 53.0 |
| Mac OS X 10.10 (Yosemite™) | N/A | 9.0 | 48.0 | N/A |
| Mac OS X 10.11 (El Capitan™) | N/A | 9.0 | 48.0 | N/A |
| iPad® | N/A | 8.0 | N/A | N/A |
| iPad® mini | N/A | 7.1 | N/A | N/A |

***Note:*** *Cookies and JavaScript must be enabled.*

There are firewalls installed to prevent unauthorized access of confidential information. There is also an automatic lockout feature which will automatically lock out an attempt to

process account information after three failed logon attempts. In addition, the system will automatically timeout if your session activity remains idle for a period of twenty minutes.

If you need additional assistance, you can call us toll free at 877-329-2571 24 hours a day. When contacting us please provide the name and version number of your browser (Microsoft Internet Explorer 11, Firefox 48, etc.)

## Electronic Disclosure Consent

By your consent below, you agree that we may provide you with all disclosures, notices, and other communications about Internet Banking, including this agreement and any future amendments, in electronic form.

Other disclosures that we may provide in an electronic format may include but are not limited to the following: monthly account statements, deposit account disclosures, changes in account terms, notice of fee changes, and privacy notices.

### 1. How to Obtain Electronic Disclosures (E-Disclosures)

We will provide notice of all future amendments to the Internet Banking Agreement by posting them on our website for at least 90 days. If the changes have an adverse effect on you or the services offered, we will provide you at least 30 days prior notice.

We may also send you an email that tells you where e-disclosures can be viewed on our website. In the future, we may also send certain e-disclosures as an email and/or message attachment.

You may download or print electronic notices and disclosures from your computer if you have the hardware and software described below. You can also save copies to your hard drive for viewing and printing at a later time.

If you need help printing, please contact Highlands State Bank at 877-329-2571

### 2. System and Equipment Requirements

Prior to accepting electronic delivery of disclosures, you should verify that you have the required hardware and software necessary to access and retain documents and disclosures in an electronic format. You will need:

1. Internet Access.
2. A computer with a modem and Internet browser that can support 128-bit encryption.
3. A printer connected to your PC to print or download disclosures.
4. Sufficient hard-drive space on your PC to save any disclosures.
5. An external email address.

If we revise hardware and software requirements to access and retain electronic disclosures, we will notify you of these changes at least 30 days in advance, and provide you a notice of your right to withdraw consent to electronic disclosures without the imposition of any fees.

### 3. Cancellation of E-Disclosures

If you decide that you no longer want e-disclosures and you let us know via U.S. mail be sure to identify yourself and your accounts that you want withdrawn from electronic delivery authorization. If you withdraw from e-disclosures, we may cancel your Internet Banking Services.

If you want to cancel e-disclosures or change to a paper delivery format you must Send us a letter via U.S. Mail to:

Highlands State Bank
PO Box 160
Vernon, NJ 07462-0160

**4. Email Changes**

If you have enrolled for e-disclosures, you must notify this financial institution of any email address changes. You can contact us regarding such changes via U.S. mail or by changing your e-mail address within the Internet Banking product.

**5. Acceptance of E-Disclosures**

By accepting the Internet Banking agreement, you agree that your system meets the requirements and that you consent to receive all notices regarding Internet Banking Services in electronic form. With your acceptance below, you also agree to notify us if you change your email address or if you no longer want to receive disclosures electronically.

Upon completion of the registration process, we may send you an email and ask you to confirm your email address and your acceptance of electronic delivery.

Please read the entire Agreement carefully before enrolling in the Service or initiating any transactions.

## Internet Banking and Bill Paying Agreement

**Internet Banking/Bill Paying Agreement**

As used in this agreement, the words "you" and "your" refer to the account holder(s) and the words “the Bank”, “us and “we” refer to Highlands State Bank® If you are enrolling for bill pay services, all terms and conditions outlined below are applicable to you.

**Internet Banking only:**

You must have at least one Highlands State Bank® deposit account (excluding IRAs or Certificates of Deposit) to enroll in Internet Banking only. There are no service charges for use of this service.

**Internet Banking & Bill Paying Service:**
You must be enrolled in Internet Banking to have access to the bill paying service. There is no monthly service charge for use of this service. Please refer to our schedule of fees for information regarding miscellaneous charges that may apply.

**Services Provided Through Use of Internet Banking**
Highlands State Bank offers its customers use of our Internet Banking service.

You may view the balance of your checking accounts, statement savings accounts, money market accounts, certificates of deposit, IRA’s and loan accounts. In addition to viewing account information you may use Internet Banking to conduct the transfer of funds between

your deposit accounts. You may make one time transfers or schedule future or recurring transfers such as transfers to make loan payments.

If your account is in good standing, you may also apply for Internet Banking Bill Payment. The bill payment service permits you to use your Internet enabled device to direct payments from your designated Internet bill payment account to third parties you wish to pay.

*Electronic Check Conversion*
You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or to pay bills.

## Limitation on Transactions and Frequency of Transfers:

*Limits on Transfers from Certain Accounts*
You may transfer funds among your checking accounts, statement savings accounts and money market accounts. NOTE: Federal regulation limits the number of checks, telephone transfers, online transfers and preauthorized electronic transfers to third parties (including Point of Sale transactions) from money market and savings type accounts. You are limited to six such transactions from each money market and savings type account each statement cycle for purposes of making payment to a third party or by use of a telephone or computer.

*Other limitations*
We reserve the right to impose limitations for security purposes at any time.

## Authorization:

By agreeing below, you authorize the Bank to provide account information, transfer funds between your accounts, make Highlands State Bank® loan payments from your deposit accounts with us, place stop payments on checks you have written and provide paid check images, in accordance with the provisions of this agreement. If you choose to enroll in the Internet Banking Bill Paying Service, you authorize Highlands State Bank® to charge your account(s) for any applicable miscellaneous service charges. By accessing Internet Banking, you accept the terms and conditions of this agreement.

## Access ID and Passwords:

For access to Internet Banking, you must enter the User Identification Number and Password, you created at sign up, or were provided to you after verification of enrollment. Your User Identification Number can be changed from the Customer Service tab in internet banking. Your PIN (Personal Identification Number/Password) can also be changed at any time from the Customer Service tab. Please remember that Bank employees will never ask you for your password. You understand that your User ID and PIN/Password is your electronic signature. It identifies you to us and authenticates and validates the direction given just as your actual signature.
You agree to maintain the confidentiality of your User ID and PIN. You authorize the Bank to honor any transfer requests and provide account information to anyone who provides the correct User ID and PIN. Furthermore, you agree to promptly notify the Bank if an

unauthorized person has obtained your User ID and/or PIN, or if unauthorized transfers or errors appear on your account statement. You agree that your liability to the Bank for any and all transfers to and from your account(s), whether authorized or unauthorized, as well as your liability for failure to report unauthorized transfers or account errors is limited only by the provisions of the Electronic Funds Transfer Act.

**Security:**
The bank utilizes a secure server that supports 128-bit encryption to ensure that your personal information is safely transmitted over the internet. There are Firewalls installed to prevent unauthorized access of confidential information. There is also an automatic lockout feature which will automatically lock out an attempt to access account information after three failed logon attempts. In addition, the system will automatically timeout if your session activity remains idle for a period of twenty minutes. Please read our Privacy Policy for additional steps that we take to protect your personal information.

**Account Access**:
If you have enrolled in Internet Banking, you may access any of your accounts with us for the purpose of reviewing transactions or obtaining balance information. For personal accounts only, you may access any checking, savings, or money market account for the purpose of transferring funds and making loan payments. You may not transfer funds to or from an IRA or Certificate of Deposit. If you have enrolled in Internet Banking Bill Paying Service, you may access the checking account that you have authorized the Bank to use to pay bills for you.

**Limitations on Dollar Amount of Transfers:**
You may transfer up to the available balance in your account.

**Processing of Transfers:**
Transfers made before 7:00 p.m. Monday through Friday, excluding holidays, will be processed on the same day. Transfers made after 7:00 p.m. or on a weekend or holiday will be processed on the next business day. Telephone instructions to make a transfer cannot be canceled after the system has accepted them.

**Regulations:**
Transfers made in accordance with this Agreement, and all rights and liabilities of both you and the Bank, are subject to the provisions of the Electronic Fund Transfer Act or Fair Credit Reporting Act. You were provided with a copy of the Electronic Fund Transfers Disclosure when you opened your account. You should review this disclosure prior to performing transfers through Internet Banking and Bill Pay Service as it gives general information outlining your rights and responsibilities for these transactions.

## Notice of Rights and Responsibilities

The use of any electronic fund transfer services described in this document creates certain rights and responsibilities regarding these services as described below.

**Right to Receive Documentation of Your Transfers**

PERIODIC STATEMENTS: If your account is subject to receiving a monthly statement, all EFT transactions will be reported on it. If your account is subject to receiving a statement less frequently than monthly, then you will continue to receive your statement on that cycle, unless

there are EFT transactions, in which case you will receive a monthly statement. In any case you will receive your statement at least quarterly.

PREAUTHORIZED DEPOSITS: If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company:

- The person or company making the deposit will tell you every time they send us the money.

**Rights Regarding Preauthorized Transfers and Stop Payments:**

*Rights and Procedures to Stop Payments.*

If you have instructed us to make regular preauthorized transfers out of your account, you may stop any of the payments. To stop a payment call us at:

> **(973) 764-3200** (8:00 AM to 6:00 PM Monday through Thursday, 8:00 AM to 7:00 PM Friday or 8:30 AM to 1:00 PM Saturday)
>
> Or write to:
>
> Highlands State Bank
> P.O. Box 160
> Vernon, NJ 07462

We must receive your call or written request at least three (3) business days prior to the scheduled payment. If you call, please have the following information ready: your account number, the date the transfer is to take place, to whom the transfer is being made and the amount of the scheduled transfer. If you call, we will require you to put your request in writing and deliver it to us within fourteen (14) days after you call.

*Notice of Varying Amounts.*

If you have arranged for automatic periodic payments to be deducted from your checking or savings account and these payments vary in amount, you will be notified by the person or company you are going to pay ten days prior to the payment date of the amount to be deducted. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

*Our Liability for Failure to Stop Preauthorized Transfer Payments*

If you order us to stop one of the payments and have provided us with the information we need at least three (3) business days prior to the scheduled transfer, and we do not stop the transfer, we will be liable for your losses or damages.

*Placing a Stop Payment Utilizing Internet Banking*

You may place a stop payment, utilizing Internet Banking, on any check that you have written. If you do, you agree to the following terms and conditions:

1. The information on the stop payment must precisely identify the check number, the payee and the amount of the check. If you do not give exact information, the Bank assumes no responsibility for stopping payment.
2. The stop payment must be received in time to give us a reasonable time to act upon it. Stop payments received before 7:00 p.m. on Monday through Friday, excluding legal holidays are processed on the day received. Stop payments received after 7:00 p.m. or on a weekend or legal holiday will be processed on the next business day.
3. A stop payment must be received before the check has been presented for payment.

4. The stop payment order is effective for six months unless renewed through Internet Banking or in writing before the expiration of six months. If the stop payment order is not renewed before the expiration of six months. It will automatically terminate and the Bank is free to pay the check. In such an instance, you hereby agree to release and do waive any and all claims against the Bank with respect to the stop payment order or the check itself and you further agree to indemnify and hold the Bank harmless with regard to any and all claims involving the stop payment order and/or check, which includes the Bank's reasonable attorney fees and costs.
5. You understand that there may be claims or demands made against the Bank as a result of your request to the Bank. You agree that you will defend the Bank and will be responsible to the Bank if any claim or demand of whatever nature, is made against the Bank with respect to a stop payment order and/or the check itself.
6. You agree to indemnify and defend the Bank and to reimburse the Bank for any reasonable costs, expenses or attorney's fees that the Bank may incur in defending itself against any such claims or demands.
7. You understand that the Bank will use all reasonable efforts to comply with a stop payment order. However, you understand fully that unless the check number, the payee and the amount of the check are correctly entered on the stop payment order, the Bank assumes no responsibility for stopping payment and is not liable to you if a stop payment cannot be accomplished.
8. You agree to pay a $20.00 stop payment fee for each new stop payment and for each renewal of a stop payment entered through Internet Banking.
9. You must contact the Bank to stop payment on automatic debits processed by the Automated Clearing House (ACH), as this request requires additional documentation to be completed.

**Your Responsibility to Notify Us of Loss or Theft**

If you believe your Internet Banking access code has been lost or stolen, call us at:

**(973) 764-3200** (8:00 AM to 6:00 PM Monday through Thursday, 8:00 AM to 7:00 PM Friday or 8:30 AM to 1:00 PM Saturday)

Or write to:

Highlands State Bank
P.O. Box 160
Vernon, NJ 07462

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

**Consumer Liability**

Tell us at once if you believe your Internet Banking information or access code has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down by calling **(973) 764-3200**.

**What is Regulation E?**

Regulation E protects individual consumers using electronic funds transfers (EFT). Non-consumer accounts are not protected by Regulation E.

**What is an EFT?**

An EFT is any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a consumer's account. The term includes but is not limited to:

- Point of sale transfers
- Automated teller machine transfers
- Direct deposits or withdrawals of funds
- Transfers initiated by telephone
- Transfers resulting from debit card transactions, whether or not initiated through an electronic terminal
- Transfers initiated through Internet Banking and Bill Pay.

**How does Regulation E apply to a consumer using Online Banking and/or Bill Pay?**
Regulation E is a consumer protection law for accounts such as checking or savings, established primarily for personal, family, or household purposes. Non-consumer accounts, such as Corporation, Trust, Partnerships, LLCs, etc., are excluded from coverage. Regulation E provides consumers a means to notify their financial institution that an EFT has been made without their permission. If you are unsure if your account is protected by Regulation E contact us at the information listed above.

**What protections are provided to consumers under Regulation E for consumers who us Online Banking and/or Bill Pay?**
If you believe an unauthorized EFT has been made to your account, contact us immediately. If you notify us within two business days after you learn of the unauthorized transaction the most you can lose is $50. Failure to notify the bank within two business days may result in losses up to $500.

**No Liability Limit**
Unlimited loss to a consumer account can occur if your periodic statement you receive reflects transfers you did not make, including those made by card, code, or other means, and you do not report the unauthorized transfer to the bank within sixty (60) days after the statement was mailed, and the loss could have been avoided if you had given timely notice. If you do not tell us within sixty (60) days after the statement was transmitted to you, you may not receive back any money you lost after the sixty days, and therefore, you could lose all the money in your account (plus your maximum overdraft line of credit, if applicable).

**How does Regulation E apply to a non-consumer using Online Banking and/or Bill Pay?**
A non-consumer using Online Banking and/or Bill Pay is not protected under Regulation E. Because the customer is not protected by Regulation E special consideration should be made by the customer to review the controls in place to ensure that they are commensurate of the risk level that the customer is willing to accept.

**What precautions should a non-consumer take because they are not protected by Regulation E?**
As a non-consumer customer you should perform a risk assessment and periodically evaluate the controls you have in place. The risk assessment should be used to determine the risk level associated with any Internet activities you perform and any controls in place to mitigate these risks.

**Miscellaneous:**
We reserve the right to temporarily suspend this service at any time without prior

warning. Our liability for failing to make a transfer under this Agreement is specifically limited by the Electronic Fund Transfer Act, as well as all other applicable federal and state law. The provisions of this Act are outlined in your Electronic Funds Transfer Disclosure.

**Termination:**
This agreement will remain in effect until you or the Bank terminates it. A termination by you will not be effective until the Bank has received from you a signed written notice of the termination and has had reasonable time to act upon it. If there is no activity on your Internet Banking service for a period of 180 days, the Bank will terminate your service. If we do this, you will be required to re-enroll in this service.

**Amendments:**
The Bank reserves the right to change any terms or fee disclosed in this agreement upon twenty-one days written notice to you.

**Continuing Effect:**
This agreement shall be governed by and construed and enforced in accordance with the laws of the State of New Jersey. In the event any provision of this agreement conflicts with state or federal law or is held to be invalid by a court, the remainder of the agreement will continue to be valid.

**Acknowledgement:**
By continuing to apply for internet banking, you acknowledge that you have read, understand, and accept the terms and conditions of this agreement. You also certify that all information provided is accurate and you have authority to apply for internet banking access. You may print out a copy for your records.