

ONLINE BANKING AGREEMENT AND DISCLOSURE

General

This Online Banking Agreement and Disclosure (“Agreement”) for accessing your Bank of Eastern Oregon account(s) via the Internet explains the terms and conditions governing Bank of Eastern Oregon’s Online Banking Services and other banking services offered through Bank of Eastern Oregon (collectively, the “Online Banking Services”). Bank of Eastern Oregon’s Banking Service permits you to electronically initiate account transactions involving your accounts and communicate with Bank of Eastern Oregon. By using the Online Banking Services, you agree to abide by the terms and conditions of this Agreement. This Agreement will be governed by and interpreted in accordance with federal law and regulation, and to the extent there is no applicable federal law or regulation, by the laws of the State of Oregon. The terms “our,” “we,” “us,” “Bank of Eastern Oregon,” and “Bank” refers to Bank of Eastern Oregon. “You” refers to each signer on an account. The term “bank business day” means Monday through Friday, excluding federal and state of Oregon holidays.

Protecting Your Account

Notify us at once if you believe another person has improperly obtained your Online Banking Password. Also notify us if someone has transferred, or you think someone may transfer, money from your account without your permission or if you suspect any fraudulent activity on your account. To notify us, call Bank of Eastern Oregon or write to Bank of Eastern Oregon at any of our branch locations, listed on page 2.

If your Online Banking Password has been compromised and you tell us within two (2) bank business days after learning of the loss or theft, you can lose no more than \$50 if someone used your Online Banking Password without your permission to access a Bank of Eastern Oregon deposit account. If you do NOT tell us within two (2) bank business days after you learn of the loss or theft and we could have stopped someone from taking money without your permission had you told us, you could lose as much as \$500 of the disputed amount.

If your monthly statement shows withdrawals, transfers, or purchases that you did not make or authorize, you must notify us at once. If you do not notify us within sixty (60) days after the account transaction detail information was transmitted or mailed to you and we could have stopped someone from taking money if you had told us in time, you may not get back any money lost after the sixty (60) days. If there are extenuating circumstances that kept you from telling us, the time periods in this section may be extended.

Contact Us

It is extremely important you take an active role in the event of any wrongful use of your account. If you find your records do not agree with ours, you must immediately call Bank of Eastern Oregon.

Protect your Internet Password - The password used to gain access to the Online Banking Services should be kept confidential at all times. For your protection, we recommend you change your Internet Password regularly. It is recommended you memorize this password and do not write it down. You are responsible for keeping your Password, account numbers, and other account data confidential. If you believe your password may have been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, notify Bank of Eastern Oregon at once.

This is the list of branches for Bank of Eastern Oregon:

Arlington Branch
PO Box 38
Arlington, OR 97812
Ph: 541-454-2636
Fax: 541-454-2638

Boardman Branch
PO Box 1209
Boardman, OR 97818
Ph: 541-481-3445
Fax: 541-481-3447

Condon Branch
PO Box 706
Condon, OR 97823
Ph: 541-384-3501
Fax: 541-384-3503

Heppner Branch
PO Box 39
Heppner, OR 97836
Ph: 541-676-9125
Ph: 541-676-5501

Ione Branch
PO Box 106
Ione, OR 97843
Ph: 541-422-7466
Fax: 541-422-7465

Irrigon Branch
PO Box 650
Irrigon, OR 97844
Ph: 541-922-2828
Fax: 541-922-8999

Burns Branch
293 N Broadway
Burns, OR 97720
Ph: 541-573-2006
Fax: 541-573-3636

Fossil Branch
PO Box 406
Fossil, OR 97830
Ph: 541-763-2910
Fax: 541-763-3561

John Day Branch
PO Box 10
John Day, OR 97845
Ph: 541-575-1862
Fax: 541-575-1705

Moro Branch
PO Box 444
Moro, OR 97039
Ph: 541-565-3712
Fax: 541-565-3470

Enterprise Branch
PO Box 308
Enterprise, OR 97828
Ph: 541-426-4205
Fax: 541-426-4652

Prairie City Branch
PO Box 247
Prairie City, OR 97869
Ph: 541-820-3321
Fax: 541-820-3556

Pasco Branch
5205 Road 68
Pasco, WA 99301
Ph: 509-545-6360

Accessing your Bank of Eastern Oregon Accounts

A. Requirements.

To access your account(s) through the Internet, you must have an eligible Bank of Eastern Oregon account, enroll in the Online Banking Service, and have an Online Banking Password.

B. New Services.

Bank of Eastern Oregon may, from time to time, offer and introduce new Internet services. The Bank will notify you for the existence of these new products and services. By using these services when they become available, you agree to be bound by the rules, which will be communicated to you, concerning these services.

C. Fees.

There are currently no monthly or transaction fees for accessing your account(s) through the Internet or using Bill Pay. However, fees, as described in the applicable Product or Account Disclosure Statement or Schedule of Selected Service Fees, may apply to services ordered online and to transfers from a credit account.

Bank of Eastern Oregon reserves the right to terminate your use of Bill Pay at any time without prior notice.

Terms and Conditions

The first time you access your Bank of Eastern Oregon account(s) through the Internet confirms your agreement to be bound by all of the terms and conditions of this Agreement and acknowledges your receipt and understanding of this disclosure.

A. Your Internet Password.

You will be given an initial Online Banking Password. The first time you access your Bank of Eastern Oregon account(s), you will be required to select a new Password. The password will need to be between eight (8) and twelve (12) alpha/numeric/special characters and is case sensitive. A password change is required every 180 days, but it can be changed more often if the user desires. We recommend you do not use your telephone number or birth dates as your Password. You are authorizing Bank of Eastern Oregon to act on instructions received under your Password. You are responsible for keeping your Password, account number(s), and other account data confidential at all times.

B. Multi-Factor Authentication.

Bank of Eastern Oregon uses the latest Security Features. In order to make your online banking experience as secure as possible, we use multi-factor authentication that detects any uncharacteristic or unusual behavior involving your account. If anything out of the ordinary is detected we will take steps to verify your identity. Approximately 30 days after your first login, you will be prompted to select and answer three (3) security questions. In the future, if we detect any unusual or uncharacteristic activity, we will ask you to answer two (2) of those questions. This will help ensure the transaction(s) was initiated by you. This will most likely be a very rare occurrence. Another security feature is the watermark. You will be asked to choose a Personal Identification Image. This image will appear on all Netteller pages.

C. Our Liability.

Except as specifically provided for in this Agreement or where the law requires a different standard, you agree that neither the Bank nor the Internet Service Provider shall be responsible for any loss, property damage or bodily injury, whether caused by the Bank, equipment, software, or Internet access providers or any agent or subcontractor of any of the foregoing. Nor shall the Bank or the Internet Service Providers be responsible for any direct, indirect, special or consequential, economic, or other damages arising in any way out of the installation, use or maintenance of the equipment, software or Internet browser, or access software.

D. Changes to Fees or Other Terms.

We reserve the right to change the fees or other terms described in this Agreement. However, when changes are made to any fees, we will notify you online or send a notice to you at the address shown on our records. All notices will be sent at least thirty (30) days in advance of the effective date of the change, unless an immediate change is necessary to maintain the security of the system. If such a change is made and it can be disclosed without jeopardizing the security of the system, we will provide you with written or electronic notice within thirty (30) days after the change. By continuing to use the accounts or services to which these changes relate, you are accepting the changes. Changes to fees applicable to specific accounts are governed by the applicable Account Disclosure Statement.

E. Disclosure of Account Information.

You authorize the Bank to disclose to selected third parties information you have provided or that we have or our affiliates have obtained about your accounts. Such third parties may include subsidiaries of Bank of Eastern Oregon; agents of the Bank, such as independent auditors, consultants, or attorneys; government agencies under court orders or regulations to verify the existence and condition of your account for a third party such as a credit bureau or merchant; or, if you give us your permission.

F. Other General Terms.

In addition to this Agreement, you agree to be bound by and will comply with the requirements of the applicable Account Disclosure Statement, the Bank's rules and regulations, the rules and regulations of any funds transfer system to which the Bank belongs, and all applicable state and federal laws and regulations. The Bank also agrees to be bound by them.

The Bank reserves the right to terminate this Agreement and your access to the Online Banking Service, in whole or in part, at any time without prior notice.

If you do not access your accounts via the Online Banking Service for any six (6) month period, the account will go dormant. If you do not access your account via the Online Banking Service for one (1) year period, the Bank reserves the right to disconnect your service without notice.

You agree to be responsible for any telephone charges incurred for accessing your accounts through the Internet Account Access Service.

Bill Pay

Using the service.

As part of the Bank's "Online Banking Services," you can schedule payment of your periodic bills. You can arrange for the payment of current, future, and recurring bills from your Bank of Eastern Oregon checking account. There is no limit to the number of payments that may be authorized. You may pay any merchant or individual approved by Bank of Eastern Oregon through Bill Pay. We are unable to process any payments to federal, state, or local tax agencies.

By furnishing us with the names of your payees/merchants and their addresses, you authorize us to follow the payment instructions to these payees/merchants that you provide through Online Banking Services. When we receive a payment instruction (for current or future date), we will remit funds to the payee on your behalf from your designated checking account on the day you have instructed the payment be sent (Payment Date). However, we shall not be obligated to make any such payment unless your account and/or overdraft protection plan has sufficient funds or credit availability to pay the bill on the Payment Date. Funds for "Electronic" bill payments will be withdrawn from your account on the DAY the payment is scheduled to be SENT to the payee. Please allow two (2) business days for processing. For payments by "check," it will be mailed on the scheduled date and withdrawn from your account on the day the check clears your account.

You have the right to stop any scheduled payment. You must cancel the payment no later than 5:00 p.m. Pacific Time, two (2) business days prior to the scheduled payment day by calling Bank of Eastern Oregon.

NOTE: Any payments made with Bill Pay require sufficient time for your payee to credit your account properly. To avoid incurring a finance charge or other charge, you must schedule a payment far enough in advance of the due date of your payment.

If Bank of Eastern Oregon does not properly complete a bill payment on time or in the correct amount and YOU SCHEDULED THE PAYMENT AT LEAST FIVE (5) FULL BUSINESS DAYS PRIOR to the date the payment is due at your payee, we will pay any late fees or finance charges as long as your account was in good standing with the merchant/payee prior to this incident. We will also be liable if we fail to stop a payment per your timely order to do so. Bank of Eastern Oregon shall not be responsible for any charges imposed or any other action taken by a payee resulting from a payment that you have not scheduled properly, including any applicable finance charges and late fees. In addition, Bank of Eastern Oregon will not be liable if any third party through whom any bill payment is made fails to properly transmit the payment to the intended payee. We will also not be liable if: there are insufficient funds or credit availability in your designated payment account and/or overdraft protection plan; if a legal order directs us to prohibit withdrawals from the payment account; if the payment account is closed or frozen; or, If any part of the electronic funds transfer system is not working properly. Bank of Eastern Oregon will not be liable for indirect, special, or consequential damages arising out of the use of the Bill Pay.

Bank of Eastern Oregon reserves the right to terminate your use of Bill Pay at any time without prior notice.

Error Reporting & Resolution

In case of Errors or Questions About Your Electronic Transfers, telephone or write us at Bank of Eastern Oregon (see branch listing for closest one to you, page 2) as soon as you can. If you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt, We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 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 ten (10) business days for the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we will not credit the account.

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.

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

Other Information

Balance Inquiries and Transfers.

You may use the service to check the balance of your accounts and to transfer funds among your electronic accounts. In order to initiate one of these transactions, you must first use your Password to obtain access to the Service. The balance shown on your PC may include deposits still subject to verification by us. The balance shown also may differ from your records because it may not include deposits in progress, outstanding checks, or other withdrawals or charges. A fund transfer request will not result in immediate funds availability because of the time required to process the files. The deadline for funds transfer requests is 7:00 p.m. Pacific Time for same bank business day availability. Any funds transfer request received after 7:00 p.m. Pacific Time will not be processed until the following bank business day. If there are insufficient available funds in an account from which you are requesting a funds transfer, the transfer will not be initiated. For monetary transfers, the accounts must have the same PIN number and must belong to the same "household" of accounts.

Statements.

Transfers, withdrawals, and bill payments transacted through Bank of Eastern Oregon Internet will be recorded on your periodic statement. All of your payments and funds transfers made through the Service will appear on your monthly account statement(s).

Equipment.

We are not responsible for any loss, damage, or injury resulting from: an interruption in your electrical power or telephone service; the disconnecting of your telephone line by your local telephone company or from deficiencies in your line quality; or, any defect or malfunction of your PC, modem, or telephone line. We are not responsible for any services relating to your PC other than those specified in this Agreement. If any

equipment failure occurs in any way relating to your PC, modem, or telephone line, Bank of Eastern Oregon is not responsible.

Business Days/Hours of Operation.

Our business days are Monday through Friday, except bank holidays. The service is available 24 hours a day, seven days a week, except during maintenance periods for scheduling, modification, or for review of funds transfers and balance inquiries. All scheduled payments are processed twice each day. The first is 10:00 a.m. PST and the second is 12:00 p.m. Monday through Friday. This schedule does not include holidays.

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