

ELECTRONIC FUND TRANSFERS DISCLOSURE YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Funds Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

COMMUNITY SHORES ONLINE BANKING – TYPES OF TRANSFERS AND CHARGES

You may access your accounts by logging onto our website at www.communityshores.com and using your personal ID and password assigned to you.

Transfers available to you:

- Transfer funds from checking to checking
- Transfer funds from checking to savings
- Transfer funds from savings to checking
- Transfer funds from savings to savings
- Transfer funds from personal line of credit to checking or savings
- Transfer funds from checking or savings to make an internal loan payment
- Make payments from checking to third parties through Bill Pay

Get Information on:

- Account Balances
- Current and Previous Statement on checking or savings
- View and print images (front and back) of the checks that have cleared your checking account

Minimum account balance:

We do not require you to maintain a minimum balance in any account as a condition of using online banking or telephone banking.

FEES

Stop Payment Fee: \$29.00

DOCUMENTATION

Periodic statements:

You will get a monthly account statement from us for your checking and savings accounts.

BILL PAY SERVICE

You may use Bill Pay to make variable or recurring payments to third parties, which are included on the vendor list you set up. You are responsible for ensuring the accuracy of the information on your vendor list. Any changes to the vendor list must be made far enough in advance to account for any pending payments.

Bill Pay transactions will be deducted from your account on the transmit date you specify, provided you have sufficient funds available in your account. You must make your payment request and select a payment at least 5 days in advance so that your payment will be received by the vendor by the due date. We are not responsible for any late payments unless we fail to mail payment within two business days of the selected scheduled payment date and that delay causes you a loss.

EMAIL SERVICES

Bank e-mail service is available for our Internet Banking customers. Bank e-mail may be used only for general communications.

Transaction requests and time sensitive information such as transfers from your accounts, stop payment requests, or to report a lost or stolen credit card, ATM card or debit card may not be made using bank e-mail.

FINANCIAL INSTITUTION'S LIABILITY

Liability for failure to make transfers:

If we do not complete a transfer to or from your account on time or in the correct amount according to our disclosure with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer
- If you have an overdraft line and the transfer would go over the credit limit
- If you have Overdraft Privilege and the transfer would go over the overdraft limit
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken
- There may be other exceptions stated in our disclosure with you

CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant
- In order to comply with government agencies or court orders
- If you give us written permission

NOTICES

All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Disclosure. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

ENFORCEMENT

In the event either party brings a legal action to enforce this Disclosure or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

TERMINATION OF ONLINE SERVICE

You agree that we may terminate this Disclosure and your use of Online Banking services if:

- You or any authorized user of your code breaches this or any other disclosure with us
- We have reason to believe that there has been an unauthorized use of your code
- We notify you or any other party to your account that we have cancelled or will cancel this Disclosure

You or any other party to your account can terminate this Disclosure by notifying us in writing.

If we terminate this disclosure, no further Internet banking transfers or bill payments will be made, including but not limited to any payments or transfers scheduled in advance or any preauthorized recurring payments or transfers.

OTHER PROVISIONS

There maybe a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited. We reserve the right to refuse any transaction, which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

REGULATORY AUTHORITY

If you believe that any provision of the Michigan Electronic Funds Transfer Act has been violated you should notify the Federal Regulator at FDIC, 500 W. Monroe, Chicago, IL 60661 or the State Regulator at the State of Michigan, Department of Consumer & Industry Services, Officer of Financial & Insurance Services, Division of Financial Institutions, P.O. Box 30224, Lansing, MI 48909.

UNAUTHORIZED TRANSFERS

Consumer Liability:

Tell us AT ONCE if you believe your Access ID and/or password have been lost or stolen. Telephoning is the best way of keeping your possible losses to a minimum. You could lose all the money in your account (plus your maximum overdraft privilege limit and/or line of credit). If you believe your Access ID and/or password have been lost or stolen, and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your Access ID and/or password without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your Access ID and/or password, and we can prove we could have stopped someone from using your Access ID and/or password without your permission if you have told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

Contact in event of unauthorized transfer:

If you believe your Access ID and/or password have been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this disclosure.

BUSINESS DAYS

For purposes of this disclosure, our Online Banking business days are Monday through Friday. Federal Holidays are excluded. Transactions made after 7pm EST Monday through Friday will be considered the next day's business. Transactions posted on Saturday, Sunday or Federal Holidays will be considered the next day's business.

ERROR RESOLUTION NOTICE

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed below, 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 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any)
- 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
- 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 10 business days. We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point of sale transaction, or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business day if the transfer involved a new account) 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 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit unless each of you already has an established account with us before this account is opened.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation.

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

COMMUNITY SHORES BANK
1030 W. NORTON
MUSKEGON, MI 49441
Phone: 231-780-1800

MORE DETAILED INFORMATION IS AVAILABLE UPON REQUEST

COMMUNITY SHORES BANK

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BANKING HOURS

Monday-Thursday: 9:00am-5:00pm
Friday: 9:00am-5:30pm
Saturday: 9:00am-Noon (drive-up only)

MUSKEGON

1030 West Norton
Muskegon, MI 49441
Phone: 231.780.1800 / Fax: 231.780.1860

GRAND HAVEN

Corner of US 31 and Robbins Road
Grand Haven, MI 49417
Phone: 616.844.5600 / Fax: 616.846.4123

NORTH MUSKEGON

485 Whitehall Road
North Muskegon, MI 49445
Phone: 231.780.1880 / Fax: 231.719.0046

TOLL FREE

(reaches all locations)
Phone: 888.853.6633

24-HOUR TELEPHONE BANKING

Toll Free: 877.722.CSHB (2742)



PERSONAL ONLINE BANKING

www.communityshores.com



Member
FDIC

Your Friends. Your Neighbors. Your Bank.

FREE ONLINE BANKING ANYTIME... ANY DAY... ANYWHERE

- Pay Bills
- Check Account Balances/Account History
- Transfer Funds Between Accounts
- Place Stop Payments*
- View and Print Images of Your Cleared Checks

WHAT IS ONLINE BANKING?

Community Shores Online is the name for our Internet Banking service. Online Banking offers you an alternative to traditional banking and it allows you to do your banking when it is convenient for you whether at work, home, or on the road via the Internet.

WHAT IS BILL PAYMENT?

Community Shores Bill Payment is the name for our online bill paying solution that allows you to pay your bills electronically without needing to write checks or use stamps. You can set up recurring payments or elect a one-time payment. **Best of all... it's free.**

HOW DO I GET STARTED?

You will need a Community Shores Bank Account(s), access to the Internet, and a valid email address. Simply complete the attached Community Shores Online Application, or you can obtain an application from your branch or by calling 231.780.1800 or by visiting www.communityshores.com.

IS IT SAFE?

Safeguarding our customer's information is our number one priority. Online Banking is no exception. We're taking all the necessary precautions and more to assure your accounts are safe and that no one has access to them but you and anyone you authorize.

*Regular stop payment fee will apply.

APPLICATION FOR COMMUNITY SHORES ONLINE BANKING

APPLICANT

Account Number(s) _____

Name _____

Address _____

City _____

State _____ Zip _____

Email _____

Home Phone (_____) _____

SS# _____

Date of Birth _____

City & State of Birth _____

CO-APPLICANT

Name _____

Address (if different than applicant) _____

City _____

State _____ Zip _____

Home Phone (_____) _____

Email _____

SS# _____

Date of Birth _____

City & State of Birth _____

Signatures: By signing below, the undersigned request(s) the described services and agrees to the terms and conditions governing the services, including any fees and charges. The undersigned agree(s) that all information is accurate.

Applicant's Signature Date

Co-Applicant's Signature Date

MAIL OR DELIVER TO:

Community Shores Bank
1030 W. Norton
Muskegon, MI 49441

OFFICIAL USE ONLY

Date Received _____ Approved Yes No

Processed By _____