

Document #1

Mizrahi Tefahot Bank LTD ONLINE AGREEMENT & DISCLOSURES

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MIZRAHI TEFAHOT BANK LTD ONLINE AGREEMENT AND DISCLOSURES

This Agreement is the contract, which covers your and our rights and responsibilities concerning your use of the Online Electronic/PC Access services offered to you by Mizrahi Tefahot Bank LTD (UMTB). By subscribing to or using the Online Services, you agree to the terms of this Agreement. Please read this Agreement carefully in its entirety. In this Agreement, the words "you" and "yours" mean those who submit a UMTB Online authorization form and any authorized users, and the words "we" and "our" refer to UMTB. The word "account" means any one or more accounts you have with UMTB.

UMTB Online Services. Upon approval, you may use your personal computer to access your accounts. You must use your user name along with your security or access code described further in Paragraph 4 to access your accounts. The UMTB Online service is accessible seven (7) days a week, 24 hours a day (except for maintenance periods and unanticipated outages beyond our control). To access the UMTB Online Service, you will need a personal computer with the following minimum requirements:

Internet Browser: IE-Explorer 6

Computer/Processor Computer with a 486/66-MHz processor or higher (Pentium processor recommended)

Operating System Microsoft Windows® 98, Windows 98 Second Edition, Windows Millennium Edition (Windows Me), Windows NT® 4.0 with the high encryption version of Service Pack 6a (SP6a) and higher, Windows 2000, or Windows XP

Memory	For Internet Explorer 6 SP1: RAM requirements depend on the operating system used Windows 98: 16 MB of RAM minimum Full install size: 11.5 MB Windows 98 Second Edition: 16 MB of RAM minimum Full install size: 12.4 MB Windows Me: 32 MB of RAM minimum Full install size: 8.7 MB Windows NT® 4.0 with SP 6a and higher: 32 MB of RAM minimum Full install size: 12.7 MB Windows 2000: 32 MB of RAM minimum Full install size: 12 MB Windows XP: 32 MB of RAM minimum Full install size: 12 MB
Drive	CD-ROM drive (if installation is done from a CD-ROM)
Display	Super VGA (800 x 600) or higher-resolution monitor with 256 colors
Peripherals	Modem or Internet connection; Microsoft Mouse, Microsoft IntelliMouse®, or compatible pointing device

Note: Internet Explorer 6 SP1 setup installs the majority of its files on the drive where the Windows operating system is installed, regardless of the installation location you choose. To free up space on your hard disk in order to meet disk-space installation requirements, do so on the drive where the Windows operating system is installed.

1. You can access the service using UMTB Online and/or financial software, such as Quicken or Microsoft Money. The online address for the Mizrahi Tefahot Bank LTD Online service is <https://onlinebanking.mizrahbank.com>, you can also access through our main website at www.UMTBUSA.com by selecting (clicking) the link to online banking. If you choose to use Quicken, Microsoft Money or other software, you must purchase this software from Intuit, Microsoft, other developer, or a retailer of your choosing. You are responsible for the installation, maintenance and operation of your computer and modem or cable hookup, and for any software set-up and installation. UMTB will not be responsible for any cost, errors or failures involving any telephone service, broadband service or your computer or the operation of any software. Your use of Quicken, Microsoft Money or other software is governed by the Software License Agreement included

with the software; you must agree to the terms and conditions of the Software License Agreement during installation of the software on your computer. **UMTB does not make any warranty, express or implied, to you regarding any Quicken, Microsoft Money or other third-party software programs including but not limited to any warranty of merchantability or fitness for a particular purpose.**

2. **Use of UMTB Online Services.** At the present time, you may use the UMTB Online service to:
- Transfer funds between your qualified money market and checking accounts;
 - Review account balance and transaction history for any of your accounts;
 - Make payments on your UMTB loan accounts from your checking or other deposit account; and
 - Communicate with UMTB using the secure online message feature.

In addition to this Agreement, transactions involving your deposit accounts will be subject to the terms of the applicable Account Agreement and Disclosures. Any loan transaction also will be subject to your applicable Loan Agreement and Disclosures.

3. **UMTB Online Service Limitations.** The following limitations on UMTB Online transactions may apply:
- a. **Transfers.** Other than as set forth below, you may make funds transfers to your other deposit accounts as often as you like. However, transfers from any one of your savings or money market accounts will be limited to a total of six (6) in any one month. You also may transfer or withdraw up to the available balance in your deposit account or up to the available credit limit on a line of credit at the time of the transfer, except as limited under this Agreement or your Account Agreement or Loan Agreement and Disclosures. UMTB reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. UMTB may set other limits on the amount of any transaction and you will be notified of those limits.
 - b. **Account Information.** The account balance and transaction history information may be limited to recent account information involving your accounts. Also, the availability of funds for transfer or withdrawal may be limited due to the processing time for any deposit transactions and our Funds Availability Policy.
 - c. **Loan Payments:**
 - (i) **Loan Payment Transactions.** Through the UMTB Online loan payment service, you may authorize us to process payments on your UMTB loans from one of your designated deposit accounts. You may use the Online loan payment service to initiate three different types of payment transactions:

- "Today" payments are payments that are not recurring. [The payments can be canceled or changed through online service up until 3:45PM(Pacific Time)on the day before your Scheduled Debit Date.
- "Future" payments are payments that you initiate at least one (1) business day prior to the due date of each payment by setting the payment amount and due date. The payment can be canceled or changed through online service up until 3:45PM(Pacific Time)on the day before the Scheduled Debit Date.
- "Recurring" payments are payments that are recurring on a fixed due date and fixed amount. The payment can be canceled or changed through online service up until 3:45PM (Pacific Time)on the day before the Scheduled Debit Date.

When you transmit a loan payment instruction to us, you authorize us to transfer funds to make the loan payment transaction from your checking account or any other deposit account you designate. UMTB will not process any loan payment transfer if we know the required transaction information is incomplete. In any event, UMTB will not be liable for any transaction that contains incorrect information that UMTB was not responsible for entering or knowing. If there are insufficient funds in your account to make the loan payment request, we have the right to refuse to make the payment. UMTB reserves the right to refuse to process payment instructions that reasonably appear to UMTB to be fraudulent or erroneous.

- (ii) Processing Payments. The amount of your requested loan payment will be deducted from your designated deposit account on the Scheduled Debit Date before 3:45PM (pacific time) and will be processed by us on that date or the next business day should the processing date fall on a weekend or holiday. Therefore, you must have sufficient funds available to cover your payment on the Scheduled Debit Date.

It is your responsibility to schedule your loan payments in such a manner that your obligations will be paid on time. You should enter and transmit your loan payment instructions at least one (1) business day before a loan payment is due. If you do not allow sufficient time, you assume full responsibility for any late payments or finance charges that may be imposed as a result of your failure to transmit a timely loan payment authorization.

- (iii) Canceling or Changing loan payments. Payments designated as "Today" transactions cannot be stopped, canceled or changed once

your loan payment session has ended. You may cancel or stop payment on Future and Recurring loan payment instructions under certain circumstances by following the instructions provided online by clicking on the “information” icon. If you discover an error in or want to change a payment instruction (i.e. payment date or payment amount) for a Future or Recurring loan payment that you have already scheduled for transmission through the loan payment service, you may electronically edit or cancel your payment request through the loan payment service. Your cancellation request must be entered and transmitted through the loan payment service one day before the date you have scheduled for payment. If your request is not timely entered, you will be responsible for the payment.

If you wish to place an oral stop payment on a Recurring loan payment transaction not using the loan payment service, UMTB must receive your oral stop payment request at least three (3) business days before the Scheduled Debit Date. You may call UMTB at the telephone number set forth in Paragraph 5 to request a stop payment. If you call, UMTB may require you to confirm your stop payment request in writing within 14 days after the call. If you order us to stop a Recurring payment three (3) business days or more before the Scheduled Debit Date, as we do not do so, we will be liable for your loss or damage to the extent described in Paragraph 10.

- d. Online Messaging. You may use the secure online message feature to send messages to us. Online messaging may not, however, be used to initiate a transfer on your account or a stop payment request. UMTB may not immediately receive online messages that you send and UMTB will not take action based on online message requests until UMTB actually receives your message and has a reasonable opportunity to act. If you need to contact UMTB immediately regarding an unauthorized transaction or stop payment request, you may call UMTB at the telephone number set forth in Paragraph 5.
4. **Security of Access Code.** The first time you access your UMTB Online banking service, you will be asked to choose a personal identification number (PIN) or access code which you will use to obtain access to your accounts available under the Online banking service. The PIN or access code that you select is for your security. The access code is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your access code with the same degree of care and secrecy used to protect your sensitive financial data. You agree not to disclose or otherwise make your access code available to anyone not authorized by you to sign onto or access your accounts. If you authorize anyone to have or use your access code, you understand that that person may use the UMTB Online service to review all of your account information and make account transactions, including taking out money from your designated deposit accounts. We are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your

signature authorizing transactions.

If you authorize anyone to use your access code in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying UMTB in writing and changing your access code immediately. You are responsible for any transactions made by such person until you notify us that transactions and access by that person are no longer authorized and your access code is changed, and we have been given a reasonable period of time to act upon that notice. You also agree to cooperate with us in the investigation and prosecution of any person who has obtained and used your access code without your authorization. If you fail to maintain or change the security of these access codes and UMTB suffers a loss, we may terminate your Online electronic funds transfer and account services immediately.

- 5. Customer Liability.** You are responsible for all transfers you authorize using the UMTB Online services under this Agreement. If you permit other persons to use your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe anyone has used your access code and accessed your accounts without your authority. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two business days, you can lose no more than \$50 if someone used your access code without your permission. If you do NOT tell us within two business days after you learn of an unauthorized use of your access code to access UMTB's online service, and we can prove we could have stopped someone from using your code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows UMTB Online transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may be liable the full amount of the loss if we can prove that we could have stopped someone from making the unauthorized EFT transactions. If a good reason (such as a hospital stay) kept you from telling us, we may extend the time periods.

If you believe your access code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call:

Online Banking Service Center:

(213) 362-2999

Fax: 213-362-2988

or contact us electronically by sending online messages through the UMTB Online service: <https://onlinebanking.mizrahibank.com>

Or write:

Mizrahi Tefahot Bank LTD
800 Wilshire Blvd, Suite 1600
Los Angeles, CA 90017

- 6. Business Days.** For purposes of these disclosures, our business days are Monday through Friday. U.S and Jewish Holidays are not included.

7. **Fees and Charges.** We currently will not charge you a separate fee for your use of the UMTB Online service. The fees we impose in connection with your accounts, which we have previously disclosed to you, will continue to apply as set forth in the respective account disclosure. From time to time, the charges may be changed. We will notify you of any changes as required by law.
8. **Transaction Documentation.** Transfers and withdrawals transacted through UMTB Online will be recorded on your periodic statement by mail. You will receive a statement monthly.
9. **Account Information Disclosure.** We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy as stated on our website at: <https://onlinebanking.mizrahibank.com>, and as provided to you at the same time as you apply for the UMTB Online service and are given a copy of this Agreement. In accordance with that policy, we will disclose information to third parties about your account or the transfers you make in the following limited circumstances:
 - a. To comply with government agency or court orders;
 - b. If you give us your written permission.
10. **Limitation of Liability for UMTB Online Services.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. Our sole responsibility for an error in a transfer will be to correct the error and in no case will we be liable for any indirect, special, incidental, or consequential damages. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. UMTB will not be liable for the following:
 - a. If, through no fault of ours, you do not have enough money in your account to make the transfer, your account is inactive, or the transfer would go over the credit limit on your line of credit, if applicable.
 - b. If you used the wrong access code or you have not properly followed any applicable computer or UMTB user instructions for making transfer and loan payment transactions
 - c. If your computer fails or malfunctions or the phone lines or UMTB computer system was not properly working and such problem should have been apparent when you attempted such transaction.
 - d. If circumstances beyond our control (such as fire, flood, telecommunication outages or strikes, equipment or power failure) prevent making the transaction.

- e. If the funds in your account are subject to an administrative hold, legal process or other claim.
- f. If you have not given UMTB complete, correct and current instructions so the UMTB can process a transfer or loan payment.
- g. If the error was caused by a system beyond UMTB's control such as a telecommunications system, an Internet service provider, any computer virus or problems related to software not provided by UMTB.
- h.. If there are other exceptions as established by UMTB.

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT OR BY LAW, WE ARE NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGE WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL CAUSED BY THE ONLINE SERVICE OR THE USE THEREOF OR ARISING IN ANY WAY OUT OF THE INSTALLATION, USE OR MAINTENANCE OF ANY FINANCIAL SOFTWARE USED BY YOU IN CONNECTION WITH THE SERVICE, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. UMTB MAKES NO WARRANTY, EXPRESS OR IMPLIED, TO YOU CONCERNING THE SERVICE, EQUIPMENT, BROWSER OR OTHER SERVICES INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS, UNLESS DISCLAIMING SUCH WARRANTY IS PROHIBITED BY LAW.

- 11. Termination of UMTB Online Services.** You agree that we may terminate this Agreement and your UMTB Online services, if you, or any authorized user of your UMTB Online services or access code, breaches this or any other agreement with us; or if we have reason to believe that there has been an unauthorized use of your Accounts or access code.

You or any other party that is an owner on your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice, and will result in deactivation of your UMTB Online service and access code. Any Future or Recurring payments scheduled after termination is effective will not be made and you will be responsible for making those payments, and any accrued fees and charges. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

- 12. Notices.** Mizrahi Tefahot Bank LTD reserves the right to change the terms and conditions upon which this service is offered. UMTB will notify you at least twenty-one (21) days before the effective date of any change, as required by law. This means we will mail you a notice. Use of this service is subject to existing regulations governing UMTB account and any future changes to those regulations.
- 13. Statement Errors.** In case of errors or questions about your UMTB Online transactions listed on your statement, contact us by: telephone at the phone

numbers, send us an online message, or write us at the address set forth in Paragraph 5 as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears.

- Tell us your name and account number.
- Describe the transaction 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 ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct the error promptly. For errors related to transactions occurring within thirty (30) days after the first deposit to the account, we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or question (ninety (90) calendar days for new account transaction errors, or errors involving transactions initiated outside the United States). If we decide to do this, we will re-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 may not recredit your account.

If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents to the extent possible without violating other members' rights to privacy relied upon to conclude that the error did not occur.

14. **Enforcement.** You agree to be liable to Mizrahi Tefahot Bank LTD for any liability, loss, or expense as provided in this Agreement that UMTB incurs as a result of any dispute involving your accounts or services. You authorize UMTB to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the state of California as applied to contracts entered into solely between residents of, and to be performed entirely in, such state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to California law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.

15. Entire Agreement; Assignment; No Waivers. This Agreement, together with the Application for the UMTB Online Banking Services, and the attached Security Policy and Privacy Policy, constitute the complete and exclusive agreement relating to the UMTB Online Banking Service. In the event of a conflict between this Agreement and any other agreement or disclosure relating to your accounts or any oral statements by our employees or agent, this Agreement shall control as to the subject matters addressed in this Agreement. You may not assign this Agreement to any other person or party. We may assign this Agreement or delegate any or all of the rights and responsibilities contained in this Agreement to any affiliate or third party. No delay or omission by us in exercising any rights or remedies under this Agreement shall impair such right or remedy, or be construed as a waiver of that right or remedy, nor shall any single or partial exercise of a right or remedy preclude the exercise of that or any other right or remedy. No waiver shall be valid unless it is in writing and signed by us.