



Online Direct Banking Services Agreement

This OnLine Direct Customer Agreement and Disclosure (the "Agreement") is entered into between Bar Harbor Bank & Trust (the "Bank") and the customer of the Bank, who hereby subscribes to OnLine Direct Internet Banking Services "OnLine Direct"). This Agreement applies to all use of the customer's account whether by the customer or by any other person authorized by the customer, and the customer will be responsible for all such use. The customer is sometimes referred to in the Agreement as "you" or "your" and the Bank is sometimes referred to as "we", "us", and/or "our". If you use OnLine Direct or permit another person to use OnLine Direct on your behalf, you agree to the terms and conditions stated in the Agreement.

1. SCOPE OF AGREEMENT

1.1 Other Accounts, Loan Agreements and Services.

This Agreement governs online access to your accounts with the Bank. The terms and conditions set forth herein are in addition to, and do not cancel or supersede, any other agreements or signature cards governing your deposits, loans or other business relationships with the Bank. All of the terms, conditions, agreements, representations, schedules, disclosures, and fees set forth in or associated with such other agreements and signature cards remain in full force and effect. However, the persons you authorize to have access to and make transfers from your account(s) through OnLine Direct may not be the same persons who are authorized to sign on the account under your other agreements and signature cards with us, or you may give them greater authority to conduct activities through OnLine Direct than they have under your other agreements and signature cards with us. In cases where your authorizations to other persons do not coincide with your authorizations for the same account(s) under the signature card agreement(s), the signature card agreement(s) will govern OnLine Direct transactions.

1.2 Fees.

The use of OnLine Direct is provided for free. Service fees may apply for the use of the Bill Payment Service, which is an optional product available through OnLine Direct. You authorize us to deduct any fees associated with the use of the Bill Payment Service from your primary deposit account with us. Please refer to the Terms and Conditions of the Bill Payment Service, provided separately from this Agreement. The service charges and fees provided for in your deposit, line of credit, loan, and other agreements you have with us (collectively the "Account Agreements") will apply. Please see the Account Agreement which you have with us for a listing of fees. You are also responsible for all telephone charges incurred in connection with OnLine Direct and for charges by any Internet service provider providing connection to the Internet.

1.3 Changes in Terms and Other Amendments.

We may add, delete or amend terms, conditions and other provisions, fees, charges, or other terms described in this Agreement at any time upon at least thirty (30) days' notice to you prior to the effective date of any amendment or change. We will notify you of any such change or amendment electronically by posting such notice on our OnLine Direct home page and, when required by applicable law, will provide you with written notice of such amendment or change at the postal address provided by you to us and/or send notice to your e-mail address as provided to us. You are bound by any such change if you use the OnLine Direct service after the effective date of the notice, unless you notify us in writing within ten (10) days of having received the notice that you reject these changes and close your account(s) with us.

1.4 Termination.

This Agreement will remain in effect until it is terminated by you or by us. You may cancel your OnLine Direct services and terminate this Agreement at any time by providing us with written notice or by calling us at 1-888-853-7100. This cancellation will become effective when we receive notice from you as provided above and applies only to your OnLine Direct services and does not terminate any other agreements you may have with us. We may terminate this Agreement and your OnLine Direct services for any reason at any time. We will try to notify you in advance of any termination, but we are not obligated to do so. Upon termination, we reserve the right to make no further payments or transfers from your account(s) pursuant to this Agreement, including payments or transfers you have previously authorized. If you terminate your OnLine Direct services, you authorize the Bank to continue making transfers you have previously authorized until such time as the Bank has had a reasonable opportunity to act upon your termination notice. You agree that upon termination of your OnLine Direct services, either by you or by us, you will cancel all automatic or recurring transfers you have previously authorized, and that if you fail to do so, you are responsible for such payments.

2. DESCRIPTION OF AND LIMITATIONS ON ONLINE DIRECT

2.1 General Description of Services.

In general, the OnLine Direct package enables you to:

- Search transaction histories and obtain balance information on your accounts with the Bank, which may include checking, savings, money market, certificates of deposit, line of credit, installment loans, real estate loans and commercial loans.
- Transfer funds between your transaction accounts.
- Use bill payment services.
- eStatements.

This list is not exhaustive and the Bank may offer additional or different OnLine Direct services in the future, all of which will be governed by this Agreement, as amended.

2.2 Types of Transfers and Limitations.

You can make an internal transfer of funds from one account with the Bank to another, such as a transfer from a savings account to a checking account. Transfers may be limited in amount as provided in our Account Agreements with you governing these services or in accordance with Bank policies. In addition, your ability to transfer funds between certain accounts is limited by federal law, as stated in your deposit agreements with us. For example, you can make no more than six (6) transfers from a savings or money market account during each statement period by checks to third parties, draft, debit card, preauthorized, automatic, telephone, computer transfer or similar order. Transfers made using both OnLine Direct and other transfer methods described in the Deposit Agreements are counted against the permissible number of transfers. The Bank reserves the right to further limit the frequency and dollar amount of transactions from your accounts for security or credit reasons, as the Bank may determine at any time at its sole discretion.

2.3 Overdrafts; Order of Payments.

It is your responsibility to ensure that you have enough money or credit available in an account from which you instruct us to make a payment or transfer. If funds are withdrawn from any of your accounts by means of electronic fund transfers, other than through OnLine Direct on the same business day as an OnLine Direct transaction, and if the account contains insufficient funds to enable both the electronic fund transfer and the OnLine Direct transfer to be made, the transfers will be made in the order determined by the Bank, in its sole discretion. You are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize to be made. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree to reimburse us upon our demand, and you further agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permitted by the applicable law and the terms of any other relevant Account Agreements.

2.4 Bill Payment Service.

The Bill Payment Service is offered by Bar Harbor Bank & Trust through CheckFree Services Corporation. Please refer to the Terms and Conditions of the Bill Payment Service, provided separately from this Agreement.

2.5 Computer Requirements.

In order to use OnLine Direct, you must have your own Internet service provider and the necessary computer equipment required by the browser which you select. In this Agreement, your computer and the related equipment are referred to together as your "Computer". You are responsible for the installation, maintenance, and operation of your Computer and your software.

2.6 Registration Process.

In order to obtain and use OnLine Direct, you must complete our initial registration process. The OnLine Direct registration process involves completing and submitting a secure online application. The Bank will verify your information and mail to you a temporary Password and Access ID. You may activate your OnLine Direct services with your temporary Password and Access ID.

2.7 Access Code and Security.

Access IDs and Passwords will only be issued to customers who have a checking, savings, money market, certificate of deposit, or loan account with us. We will assign you a temporary Access ID and Password, which you will be able to use one time to gain access to the system. You will be required to change the Access ID and Password upon your initial entry into the system. Thereafter, we will assign you a new Password upon your request at any time. (For example, you may want us to assign you a new Password if you have forgotten your Password). You may voluntarily change your Password at any time. We will not require you to change your Password, but we encourage you to change it from time to time. Your Password can be changed within OnLine Direct from the "Options" button or by calling us at 1-888-853-7100. For security purposes, it is recommended that you memorize your Password and do not write it down. You are responsible for keeping your Password and account data confidential.

You will need the Access ID and Password to gain access to OnLine Direct. Use of the Access ID and Password is the agreed security procedure between you and the Bank. You should keep your Access ID and Password confidential in order to prevent unauthorized use of OnLine Direct and possible loss to your accounts. Anyone to whom you give or disclose your Access ID and Password will have full access to your accounts, even if you attempt to limit that person's authority. You are responsible for all transactions you authorize or make using OnLine Direct, including any transactions that may be unintentionally or inadvertently authorized or made, and any losses, charges, or penalties incurred as a result. In addition, except as otherwise provided in this Agreement, you are responsible for transactions by unauthorized persons using your Access ID and Password.

2.8 Reporting Unauthorized Transaction or Theft or Loss of Access Codes.

If you believe that an unauthorized transaction has been or may be made from your account, alert the Bank immediately by calling us at 1-888-853-7100 or write to us at: Bar Harbor Bank & Trust, Attn: Electronic Banking Support, P. O. Box 1089, Ellsworth, ME 04605-1089.

2.9 No Signature Required.

When using OnLine Direct to pay bills, you agree that the Bank, without prior notice to you, may debit any payment account(s) to pay checks that you have not signed by hand or by legally acceptable form of electronic signature. When using OnLine Direct to make transfers from credit accounts, you agree that the Bank, without prior notice to you, may take any action required to obtain cash advances on your behalf, including charging any credit account(s) at the Bank without your handwritten or legally acceptable electronic signature.

3. RESPONSIBILITY OF PARTIES

3.1 Privacy and Confidentiality.

The importance of maintaining the confidentiality and privacy of the information provided by our customers is one of our highest priorities. You should carefully review our privacy policy as stated on our website at www.bhbt.com. Our privacy policy is incorporated in this Agreement by reference and you hereby agree that you have read our privacy policy, understand it and agree to its terms.

3.2 Customer's Responsibilities.

You are responsible for keeping your Access ID, Password, and account data confidential. We are entitled to act on transaction instructions received using your Access ID and Password and you agree that the use of your Access ID and Password will have the same effect as your signature in authorizing transactions, authenticating your identity, and verifying instructions you have provided to us. If you authorize other persons to use your Access ID and Password in any manner, your authorization will be considered unlimited in amount and manner until you have notified us in writing that you have revoked the authorization and changed your Access ID and Password, and you are responsible for any transactions made by such persons until you notify us that transfers by that person or instructions regarding your account(s) are no longer authorized and we have a reasonable opportunity to act upon the change of your Access ID and Password.

3.3 Things for Which We Will Not Be Responsible and Further Limitations on Our Liability.

(a) Access. We will not be liable under this Agreement for failure to provide access or for interruptions in access to OnLine Direct due to a system failure or due to other unforeseen circumstances.

(b) Our Computer Equipment & Your Software. We will not be responsible for any errors or failures from any malfunction of your Computer or a computer virus, or other problems relating to your computer equipment used with OnLine Direct. We are not responsible for any error, damages, or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser (Netscape Navigator®, Microsoft Explorer®, or otherwise), your Internet service provider, your personal financial management or other software (such as Quicken® or Microsoft Money®), or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with OnLine Direct.

(c) Our Home Banking Software and Set-up. You will be responsible for the correct set-up and installation on your computer of the OnLine Direct software, if any, which we provide to you. You should remember that it is important to read the license agreement for such software and exercise care to safeguard it and prevent its misuse by other persons. We will not be responsible for any malfunction of the Home Banking Services software that we provide to you. If you notify us that the software is not functioning properly, we will replace the software promptly; however, replacement, or the reasonable cost of replacement of the software, shall be our sole liability to you. Neither we nor any of our service providers are liable for any damages (whether direct, indirect, special, or consequential or otherwise), including economic, property, personal, or other loss or injury, whether caused by hardware or software or system-wide failure, arising or resulting from the installation, use, or maintenance of the equipment, software or other items necessary to operate OnLine Direct.

(d) Warranty & Software Limitations.

Warranties of Fitness and Merchantability. *Neither we nor any software suppliers nor any information providers make any warranty, express or implied, to you concerning the software, equipment, browser or other services including, but not limited to, any warranty of merchantability or fitness for particular purpose of non-infringement of third-party rights, unless disclaiming such warranty is prohibited by law.*

(e) Computer-related Warranties. Neither we nor any software supplier nor information provider represents and warrants to you that the software we supply to you for OnLine Direct is free from any defects, computer virus or other software-related problems. In the event of such defects or computer virus caused by the OnLine Direct software, our sole responsibility shall be limited to the replacement or the reasonable cost of replacement of the software we provided in connection with the OnLine Direct services. We will not be liable for any indirect, special, consequential, economic or other damages. In states which do not allow the exclusion or limitation, our liability is limited to the extent permitted by applicable law.

General Limitation on Liability. *In no event shall the Bank be liable for special, indirect, punitive, incidental, or consequential loss or damage of any kind, including lost profits, whether or not the Bank has advised you of the possibility of such loss or damage arising or related to your use of OnLine Direct. In states which do not allow the exclusion or limitation, our liability is limited to the extent permitted by applicable law.*

4. FUNDS TRANSFER SERVICE FOR ACCOUNTS SUBJECT TO THE ELECTRONIC FUNDS TRANSFER ACT

Some of the accounts to which you have household access through OnLine Direct may be governed by the Electronic Funds Transfer Act (EFTA) and Reg E. In general, the EFTA and Reg E govern accounts established by a natural person primarily for personal, family, or household purposes. The following terms and disclosures apply to accounts governed by the EFTA and Reg E ("EFTA Accounts"), and, with respect to EFTA Accounts, if there is any conflict between these disclosures and terms set forth elsewhere in this Agreement, these disclosures shall control. These disclosures do not apply to accounts that are not EFTA Accounts.

4.1 Customer Liability.

Tell us AT ONCE if you believe your Access ID and Password has been lost or stolen. 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 (2) business days, you can lose no more than \$50 if someone used your Access ID and Password without your permission. If you believe your Access ID and Password has been lost or stolen, and you tell us within two (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 Password without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Access ID and Password, and we can prove we could have stopped someone from using your Access ID and Password without your permission if you had 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 sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (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 a hospital stay) kept you from telling us, we may extend the time periods.

You are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize to be made. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permissible by the applicable law and the terms of any other relevant agreements.

4.2 Preauthorized Transfers.

A preauthorized electronic fund transfer (PEFT) is an electronic fund transfer that is authorized in advance and is scheduled to recur on a periodic basis. If a PEFT to your account is scheduled to occur at least once every sixty (60) days, you are entitled to notice of the transfer from us within two (2) business days after it occurs, or notice that it did not occur within two (2) business days after the scheduled transfer date, or we are required to provide a readily available telephone line you may call to determine whether the transfer occurred. We need not comply with the foregoing requirements, however, if the payor notifies you that the transfer has been initiated.

If a PEFT from your account will vary in amount from the previous transfer under the same authorization, the person you are going to pay will notify you, ten (10) days before each payment, when it will be made and how much it will be. (You may choose instead to get this payment only when the payment amount would differ by more than a certain amount from the previous payment, or when the payment would fall outside certain limits that you set.)

Under the EFTA and Reg E you have certain stop payment rights and obligations for your PEFT's. You can stop any PEFT by calling us at 1-888-853-7100, or writing to us at Bar Harbor Bank & Trust, P.O. Box 1089, Ellsworth, ME 04605-1089, at least three (3) business days before the payment is scheduled to be made. If you stop payment by telephone, we may also require you to send us your request in writing within fourteen (14) days after you call.

Liability for failure to stop payment of preauthorized transfer: If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

4.3 Bank's Responsibility.

The Bank is responsible for completing transfers on time according to your properly entered and transmitted instructions.

However, the Bank will not be liable for completing transfers:

- if, through no fault of ours, you do not have enough available money in your account from which a payment or transfer is to be made, if the account has been closed, frozen, or is not in good standing, or if we reverse payment or transfer because of insufficient funds;
- if any transfer exceeds the credit limit of any account or under the Instructions of this Agreement;
- if you have not properly followed software or OnLine Direct instructions on how to make a transfer or other transaction;
- if you have not given the Bank complete, correct, and current instructions, account numbers, Access ID and Password, or other identifying information so that the Bank can properly credit your account or otherwise complete the transaction;
- if you receive notice from a merchant or other institution that any payment or transfer you have made remains unpaid or has not been completed, and you fail to notify us promptly of that fact;
- if withdrawals from any of your linked accounts have been prohibited by a court order such as a garnishment or other legal process;
- if your Computer, your software, or OnLine Direct was not working properly and this problem should have been apparent to you when you attempted to authorize a transfer;
- if you, or anyone you allow, commits fraud or violates any law or regulation;

- if circumstances beyond the Bank's control prevent making a transfer or payment, despite reasonable precautions that the Bank has taken. Such circumstances include telecommunications outages, postal strikes, delays caused by payees, fires, and floods.

There may be other exceptions to the Bank's liability as stated in the Account Agreements we have with you.

IN ADDITION, THE BANK WILL NOT BE LIABLE FOR INDIRECT, SPECIAL, CONSEQUENTIAL, ECONOMIC, OR OTHER DAMAGES ARISING OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF ONLINE DIRECT AND/OR ITS RELATED EQUIPMENT, SOFTWARE, OR ONLINE SERVICES.

4.4 Disclosure of Account Information to Others.

To the extent necessary to carry out the OnLine Direct functions, the Bank may disclose information about your accounts to third parties in the following instances:

- when it is necessary for completing transfers;
- in order to verify the existence and condition of a Payment Account, such as a credit bureau, merchant, or for a payee or holder of a check issued by OnLine Direct;
- in order to comply with laws, government agency rules or orders, court orders, subpoenas or other legal process, or in order to give information to any government agency or official having legal authority to request such information;
- to protect and enforce our rights;
- in order to share our experience with you with reputable credit reporting agencies as authorized under federal law. Under the Fair Credit Reporting Act, you have the right to make sure that your credit bureau reports are correct and accurate;
- in order to share information with our affiliates to the extent allowed by law;
- in order to contract with outside agents or service providers to prepare account statements, enter or calculate transactions and balances, or provide other materials or services on our behalf;
- if you give us your written permission (which may be by electronic or telecommunications transmission as well as on paper);
- to our employees, auditors, service providers, attorneys, or collection agents in the course of their duties.

4.5 Error Resolution.

If you believe your Access ID and/or Password has become known by an unauthorized person, or that an unauthorized transaction has been or may be made from your account, alert the Bank immediately by calling us at 1-888-853-7100 or write to us at: Bar Harbor Bank & Trust, Attn: Electronic Banking Support, P. O. Box 1089, Ellsworth, ME 04605-1089.

- If you think your statement is wrong or if you need more information about a transaction listed on the statement, the Bank must hear from you no later than sixty (60) days after it sends or delivers to you the FIRST statement on which the problem or error appeared. If you requested more information about a problem or error, the Bank must hear from you within sixty (60) days after it sends or delivers that information to you.
- Tell us your name and account number(s).
- Tell us the type, time, and date of the transaction and the dollar amount of the suspected error. 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.

If you tell the Bank orally, it may require that you send in your complaint or question in writing within ten (10) business days after we hear from you and we will then in good faith attempt to correct any error promptly.

If the Bank needs more time, however, it may take up to forty-five (45) days to investigate your complaint or question, in which case, the Bank will provisionally 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 the Bank to complete its investigation. If the Bank asks you to put your complaint or question in writing and does not receive it within ten (10) business days, the Bank may not re-credit your account.

If the Bank decides that there was no error, it will send you a written explanation within three (3) business days after it finishes its investigation and will debit the provisionally credited amount from your account. You may ask for copies of the documents that the Bank used in its investigation.

5. MISCELLANEOUS

5.1 Periodic Statements.

Your OnLine Direct payments and transfers will be indicated on monthly statements we provide or make accessible by mail or delivery service. You have a right under federal law to receive such statements for accounts governed by the EFTA and Reg E. We may also provide or make accessible to you statement information electronically or by some other means. You agree to notify us promptly if you change your address or if you believe there are errors or unauthorized transactions in any statement or statement information.

5.2 Business Days and Hours of Operation.

OnLine Direct is generally available twenty-four (24) hours a day, seven (7) days a week. However, at certain times, some or all of OnLine Direct may not be available due to system maintenance. A transfer initiated through OnLine Direct before 7:00 p.m. (Eastern Time) on a Business Day is generally posted to your account the same day. All transfers completed after 7:00 p.m. (Eastern Time) on a Business Day or on a Saturday, Sunday or Bank holiday will generally be posted on the next Business Day. Our Business Days are Monday through Friday. Saturday, Sunday, and Bank holidays are not included.

5.3 Notices and Communications.

Except as otherwise provided in this Agreement, all notices required to be sent to you will be effective when we mail or deliver them to the current address that we have for you in our records. Notices from you will be effective when received by mail at the address specified in Section 2.8 above.

5.4 E-Mail Communications.

In general, communications sent over the public Internet are not necessarily secure. Therefore, we will not send, and we strongly suggest that you do not send, any confidential account information unless using the electronic communication option provided through the "E-Mail Us" option. We will not respond to account information related questions sent via Internet e-mail. You agree that we may take a reasonable time to act on any e-mail. Correspondence that requires expeditious handling: For example, if you need to report an unauthorized transaction from one of your accounts, you should call the Bank at 1-888-853-7100. Unless you have instructed us otherwise, you agree that we may send you electronic messages about products or services we offer.

5.5 Assignment.

The Bank may assign its rights and delegate its duties under this Agreement to a company affiliated with the Bank or to any other party.

5.6 No Waiver.

The Bank shall not be deemed to have waived any of its rights or remedies unless such waiver is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising its rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

5.7 Captions.

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

5.8 Governing Law.

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Maine, without regard to choice of law principles, and by the laws of the United States. Your existing account relationships and Account Agreements with the Bank will continue to be governed by and construed in accordance with the laws governing those Account Agreements. You agree and consent to the exclusive jurisdiction of the courts of Maine and the United States District Court for the District of Maine in connection with any action or proceeding.

5.9 Severability.

Should any part of this Agreement be held invalid or unenforceable, that portion shall be construed consistent with applicable law as nearly as possible to reflect the original intent of the Agreement, and the remaining portions shall remain in full force and effect.

5.10 Copyright and Trademarks.

The content, organization, graphics, design, compilation, magnetic translation, digital conversion and other matters related to our website and OnLine Direct are protected under applicable copyrights, trademarks, and other proprietary rights. The copying, redistribution, use, or publication by you of any part of our website, except as allowed by this Agreement, is strictly prohibited. You do not by virtue of this agreement acquire any ownership rights to any content, document or other materials accessed through our website or OnLine Direct. The posting of information or materials on our website or OnLine Direct does not constitute a waiver by us of any proprietary or other right we have in such information or materials.