

Burke & Herbert Bank Business Online Bill Pay Agreement and Disclosure Statement

This Business Online Bill Pay Agreement and Disclosure Statement (the "Agreement") is between Burke & Herbert Bank (the "Bank") and each customer who has applied for, been approved for and enrolled in the Business Online Bill Pay service ("Service"), and any person authorized by such customer to use the Service. This Agreement sets forth the terms and conditions, under which you may use the Service to pay or transfer funds from your Burke & Herbert Bank checking or money market account to designated payees, based on your instruction to us via electronic means.

By using the Service, you agree to be bound by the terms and conditions of this Agreement. This Agreement describes your and our rights, responsibilities and obligations with respect to the Service and supplements the electronic funds transfer agreement(s) and disclosure(s) that you received previously when opening your Bank deposit account(s) and/or contracting for other types of electronic funds transfer access to those accounts.

In this Agreement, the words "you," "your" and "user" mean those who sign as applicants, are authorized user(s) of your designated bill pay account or have an interest therein; and each and every person who now or hereafter subscribes to or uses the Service. The words "we," "us" and "our" mean the Bank and any agent, independent contractor, designee, or assignee that the Bank may, in its sole discretion, involve in the provision of online banking services. The word "Payee" means an individual or business that you select in advance to receive one or more online payments ("Payment" or "Payments"). "Deliver By Date" means the date on which a Payment is scheduled to be delivered. "Process Date" means the date on which the payment is withdrawn from your bill pay account. The Process Date will be one (1) business day prior to the Deliver By date for electronic Payments and at least four (4) business days prior to the Deliver By date for check Payments.

Other definitions appear within the text of this Agreement.

Eligibility

To access our Service, you must have a qualified checking account with us and be enrolled in our Business Online Banking Service. Bill Payments can only be made from checking or money market accounts, not Cash Card or savings accounts. Transaction limitations apply on money market accounts.

Setting Up Payees/Payments

Using your Business Online Banking ID and Password, you can access the Service and use the system to instruct us to make Payments from your designated bill pay account to your Payees. You must provide us with information that sufficiently identifies each of your Payees to enable us to properly direct your Payment to the Payee and enable the Payee to identify you as the source of the Payment s/he receives.

We reserve the right to refuse the designation of a "Payee" for any reason.

You may pay any Payee within the United States (including U.S. territories and APO's / AEO's).

We are not responsible for Payments that cannot be made due to incomplete, incorrect, or outdated information.

Access

The Service is generally available for review purposes via the Internet 24 hours a day, 7 days a week, except during maintenance periods. We are not liable under this Agreement for failure to provide access due to a system failure or other unforeseen acts. We may modify, suspend or terminate access to the Service at any time and for any reason without prior notice, unless law requires notice.

The Payment Process

Single Payments – a single payment will be processed at the daily cut-off time on the business day (generally Monday through Friday, except certain holidays) designated as the Payment's Process Date. This Process Date is determined by the system based on the "Deliver By" date you choose and the method by which the Payment will be delivered (check or electronic). The daily cut-off time, which is controlled by the Bank, is currently 3:00 pm ET.

Recurring Payments - When setting up a recurring Payment, you choose the "Deliver By" date, and, based upon your selected frequency settings for the Payment, a Process Date is calculated by the system for each occurrence of the Payment. The Process Date will always be a business day (not a weekend or holiday), therefore, the Process Date may vary for each occurrence of a Recurring Payment for Payment to be received by the Deliver By date. If the Deliver By date falls on a weekend, holiday, or non-calendar day (i.e., 31st of the month in February, April, June, September, November), the system will calculate the Process Date so that the Payment will be delivered by the prior business day. You may also use the Service to review past or scheduled Payments from your designated bill pay account.

Payments

When you schedule a Payment using the Service, you authorize us to withdraw the necessary funds from your designated bill pay account to fund that Payment. Electronic Payments are deducted from your designated bill pay account on the Process Date indicated for that Payment. Check Payments are deducted when posted to the account. We may refuse to act on your instructions if sufficient funds are not available in your designated account by 3:00 pm ET on the Process Date for your Payment. Funds from any overdraft line of credit attached to the bill pay account are NOT considered to be available funds for Payment processing. However, if we, in our sole discretion, elect to honor your instructions for a Payment that exceeds the available balance in your designated account, that account will be charged our then current fee for processing checks drawn against insufficient funds. If your electronic Payment request is not honored because of insufficient funds in your designated account, you will receive a message to inform you that the Payment could not be made. Check Payments are handled in the same manner as a check written out of your checkbook against an insufficient balance.

Payment Limits

Electronic payments to individuals established using an email address are limited to \$2,000 per transaction and \$2,000 per day. All other electronic payments are limited to \$50,000 per transaction and \$50,000 per day. The Bank reserves the right to change limits at any time.

Cancelling a Payment

A Payment can be changed or cancelled any time prior to the cutoff time on the scheduled Processing Date.

Delivering Your Payments

After your Payment is initiated, we will remit your Payment by electronic funds transfer or by mailing your Payee a check drawn on your account. The determination regarding whether your Payment is remitted electronically or by check depends on your Payee. If your Payee is equipped to receive electronic funds transfers, your Payment may be remitted in that format; if not, your Payment will be in the form of a check. The Service provides a means by which you can determine which Payment mechanism will be used for each of your Payees.

Documentation of Payments

1. Confirmation Number: A confirmation number will be assigned to each Payment transaction at the time you submit your request. Please record the confirmation number for future reference. It will help us resolve any questions, and expedite any request you may have about your transaction. Payment confirmation numbers for scheduled Payments are found in the Service menu option for "Payment History."
2. Periodic Statement: You will get a monthly statement for your designated account (unless there are no transactions in a particular month, in any event, you will receive a statement at least quarterly). All Payments will appear on your account statement.

Liability for Failure to Complete Payments

If we do not complete a Payment on time or in the correct amount according to our Agreement with you, we may be liable for your losses or damages up to \$50 per scheduled Payment. However, there are exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough available money in the account from which a Payment is to be made, or if the account has been closed or is not in good standing, or if we reverse a Payment because of insufficient funds.
2. If any Payment would go over the credit limit of any account.

3. If your equipment or ours was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.
4. If you have not given us complete, correct or current account numbers or other identifying information so that we can properly complete the transaction.
5. If you do not properly follow our instructions or if you provide us with wrong or inaccurate information or fail to correct or tell us about any inaccuracy of which you are aware.
6. If you authorize a Payment that contains an error or is a duplicate of another Payment.
7. If the money in the account from which a Payment is to be made is subject to legal process or other claim restricts the transaction.
8. If circumstances or persons beyond our control prevent, delay, intercept or alter the transaction, despite reasonable precautions that we have taken.

Responsibility and Liability for Transactions

You are solely responsible for the security of your Password. All Payments made with your Password are conclusively presumed to have been authorized by you. We shall have no liability to you for any unauthorized Payment made using your Password that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice. Notwithstanding any other provision in this Agreement, we have no liability for failing to complete a Payment to or from your account in time or in the correct amount under any circumstances listed in the Liability for Failure to Complete Payments section above. In other cases, if we fail or delay in making a Payment pursuant to your instructions, or if we make a Payment in an amount which is less than the amount in your instructions, then (unless otherwise required by law) our liability shall be limited to interest on the amount which we fail to timely pay or transfer, calculated from the date on which the Payment was to be made until the date it was actually made or you notify us of the problem, whichever occurs first, but in no event to exceed 30 days' interest. We may pay such interest either to you or to the intended recipient of the Payment, but in no event shall we be liable to both parties, and our payment to either party shall fully discharge any obligation to the other. If we make a Payment in an amount which exceeds the amount in your instructions, or if we permit an unauthorized Payment after we have had a reasonable time to act on notice from you of possible unauthorized use, then (unless otherwise required by law) our liability shall be limited to a refund of the amount erroneously paid or transferred, plus interest on that amount from the date of the Payment to the date of the refund, but in no event to exceed 30 days' interest. If we become liable to you for interest under this Agreement or applicable law, such interest shall be calculated based on the lowest interest rate we are then paying on our deposit accounts. In no event shall we be liable for interest compensation unless we are notified of a discrepancy within 30 days from the date of the first periodic statement reflecting the discrepancy.

Unless otherwise required by law, in no event will we be liable to you for special, indirect, or consequential damages, including, without limitation, lost profits or attorneys' fees, even if we are advised in advance of the possibility of such damages.

You agree to reimburse us and indemnify us for any loss or expense we incur and for any claim made against us in providing Payment to you, including any reasonable legal fees we have.

Termination of Service

You may terminate your use of the Service at any time by calling us at 703-684-1655 during normal business hours, or write to us at Burke & Herbert Bank, Attn: Online Banking Service, P.O. Box 268, Alexandria, VA 22313-0268. If you have scheduled Payments to occur after the date by which you wish to cancel the Service, and do not want them to clear your account, you must also separately cancel those Payments prior to the cut-off time of the scheduled Process Date. If we have not completed processing your termination request and you have not otherwise canceled a Payment, you will be responsible for Payments initiated before termination.

Dormant Accounts: Should you not utilize the Service for a period of six (6) months, the Bank shall consider your account to have achieved dormant status and has the right to terminate your Service.

We may terminate your use of the Service in whole or in part, at any time without prior notice, except as otherwise required by law. Termination will not affect your liability for obligations under this Agreement accruing prior to the date of termination. The occurrence of any one of the following events may result in termination of your Service access:

- You or any authorized user of your Service breaches this or any other Agreement with us;
- We have reason to believe that there has been an unauthorized use of your Service; or

- If on two (2) or more occasions during a twelve (12) month period your designated bill pay account and any overdraft protection account has insufficient available funds to cover a Payment you have instructed us to make and/or any associated fees related to delivery of Payments (e.g., rush fees or gift check fees).

Fees

There is currently no monthly fee for the use of the Service; however, we reserve the right to change fees at any time with proper notice as required by law.

You agree to pay us for other fees, per occurrence, that may apply to this Service as stated on the current Schedule of Fees. For other fees associated with your designated business checking account, please refer to your deposit agreement and Schedule of Fees disclosure.

You authorize us to deduct any transaction fee, and you agree to pay any other fees that may apply, from your designated business checking account.

Other Provisions

There may be a delay between the time a deposit is made and when it will be available to fund a Payment transaction. You should review our Funds Availability Policy to determine the availability of funds you deposit. We reserve the right to refuse to honor any Payment request that would draw upon insufficient funds, exceed a credit limit or lower an account balance below a required balance.

Equipment & Software

You are responsible for the installation, maintenance and operations of your computer and its software. The Bank is not responsible for any errors or failures from any malfunction of your computer or the software. The Bank is also not responsible for any computer virus or related problems that may be associated with the use of any online system.