

GRANITE ONLINE BANKING AND BILL PAYMENT SERVICE AGREEMENT

The Online Banking Agreement explains the terms and conditions governing the basic Internet Banking Services and Bill Payment Services offered by Bank of Granite. All Internet Banking Services of any kind whatsoever offered by Bank of Granite (including, but not limited to funds transfers, bill payment services, wire transfers, and ACH transactions) will be referred to collectively as "Online Banking Services" in the Agreement. By requesting and using one of these services or permitting any other person to use our Services, you agree to abide by the terms and conditions of the Agreement. This agreement is in addition to other agreements and contracts between us, including your checking, savings and other deposit account agreements, as well as your credit card agreements, your overdraft protection, line of credit, loan agreements and ACH agreement (ACH processing is available to business customers only and requires that a Company Agreement for ACH Origination/Receiving be completed and signed before the service will be available).

Bank of Granite is committed to the security of our customers and account information. We require customers to enter an ID and PIN number to access the Granite Online Services in addition to using a secure Internet browser. If your account was established for business services, you should request a separate ID for each person who you determine needs access to your accounts. Your authorization for any individual to establish an ID shall constitute your authorization for the bank to provide account information to such individual and to transfer funds and make other banking transactions upon that person's request. Business accounts may appoint one or more persons to act as administrators with powers to maintain Granite Online ID's. Bank of Granite is entitled to act upon instructions received through any Online Banking Service under your ID and PIN and without inquiring into the identity of the person using that ID and PIN. You acknowledge that no person from Bank of Granite will ever ask for your ID or PIN and you agree never to provide your ID or PIN to anyone, including anyone claiming to represent Bank of Granite. Also, any information downloaded by the customer becomes the property and responsibility of the Customer.

You may have access to your accounts through Granite Online seven days a week, 24 hours a day. However, at certain times, some or all of Granite Online may not be available due to system maintenance.

A transfer initiated through Granite Online before 7:00 p.m. on a business day will be posted to your account that same business day. All transfers completed after 7:00 p.m. on a business day or on a Saturday, Sunday or banking holiday, will be posted on the next business day.

There are no fees for accessing your accounts via Granite Online or for Granite Online's Bill Pay Service. Bill Pay Service permits you to direct payments from a designated checking account to third parties you wish to pay. Each payment you make will be deducted from the account you designate. Funds must be available in your account on the transmit day and such funds will be deducted from your account on the transmit date. For check payments, you agree to allow at least five (5) business days between the date you schedule a payment and the payment due date. For electronic payments, you agree to allow at least three (3) business days between the date you schedule a payment and the payment due date. If you do not, you will be fully responsible for all late fees, finance charges or other action taken by the payee.

If your Bill Pay account does not have sufficient funds to make a payment as of the date a payment is scheduled or on the payment transmit date, the payment may not be processed. Bill Pay checks presented for payment will be handled according to your current account privileges. If you currently have Bounce Protection or Personal Reserve protection, these account privileges will activate when the Bill Payments are presented. Customers will be charged Bank of Granite's regular charges for overdrafts and returned items for each item presented against insufficient funds.

You agree to pay promptly all fees and charges for services provided under this Agreement, and authorize us to charge the account that you have designated as the payment account or any other account for the fees.

Bank of Granite reserves the right to terminate this Granite Online Banking and Bill Payment Service Agreement and your access to Granite Online Banking, in whole or in part, at any time.

Please sign and return YOUR GRANITE ONLINE APPLICATION to:

Bank of Granite
Attn: Online Banking
P.O. Box 128
Granite Falls, NC 28630

Bank of Granite Privacy Statement

Your privacy and the confidentiality of information you provide via this site are of paramount importance to us. Bank of Granite understands that confidentiality is important to you and essential in our business. It is our policy that all personal information you supply to us will be considered confidential. Bank of Granite collects your personal information to administer our business and uses your personal information to make products, services and other opportunities available to you. We also may make information available to credit bureaus, government regulators, and when required by law.