

INTERNET BANKING SERVICE AGREEMENT

1. GENERAL DESCRIPTION OF INTERNET BANKING SERVICE AGREEMENT

■ What This Agreement Covers

This Agreement between you and Exchange State Bank governs the use of Internet Banking Service ("Service"). The Service permits Exchange State Bank customers (consumers and business customers) to perform a number of banking functions on accounts linked to the service through the use of a personal computer. Unless indicated otherwise, "linked accounts" refers to all of your accounts with Exchange State Bank that you have linked to Internet Banking.

Throughout this Agreement, the words "the Bank," "we," "us" or "our" mean, collectively, **Exchange State Bank**, its subsidiaries and affiliates (including, without limitation, variations of bank name) and all of their respective successors or assigns. "You" or "your" means each owner of the Account or Accounts which will be accessible through the Service. Whenever "you" refers to more than one person with respect to any such account or relationship, the obligations and agreements applicable to you under this Agreement shall be deemed to be joint and several.

The Bank's business days are generally Monday through Friday, except certain holidays, (hereinafter "**Business Day**" or "**Business Days**").

■ Accepting the Agreement

When you use the Service described in this Agreement, or authorize others to use the Service, you agree to the terms and conditions of the entire Agreement.

■ Relation to Other Agreements

Your use of the Service may also be affected by the other agreements between the Bank and you for your linked accounts. When you link an account to Internet Banking service, you do not change the agreements you already have for that account. You should review those agreements for any applicable fees, for limitations on the number of transactions you can make, and for other restrictions that might impact your use of an account with the Internet Banking service. If you choose to use our bill payment service, this service will be offered subject to a separate bill payment agreement.

2. INTERNET BANKING SERVICE

To access all of the features and services offered by Internet Banking, sign in directly through our website at: www.esbks.com. Within Internet Banking, you can also access optional services such as Bill Payment. Please refer to this Agreement, and your applicable account agreement or fee schedule for information on fees for optional services.

■ Internet Banking for Consumers and Businesses

You may use Internet Banking to:

- Transfer funds between your linked accounts on either a one-time or recurring basis, including payments to a linked installment loan or mortgage;
- View current balance information of your linked accounts;
- Review available transactions of your linked accounts.

Some of the above services may not be available for certain accounts or customers.

■ **Bill Payment Services**

In addition to the Internet Banking features listed above, Exchange State Bank customers with eligible deposit accounts may also use the optional Bill Payment service. A monthly service fee may apply for the use of this service as provided in a separate Online Bill Pay Authorization and Agreement which controls the Bill Payment service.

3. DESCRIPTION OF INTERNET BANKING SERVICE

■ **Transfers**

□ Processing of Transfer Requests:

- Transfers can be made in two ways: one-time transfer or recurring transfer. One-time transfers may be immediate or scheduled for a future date. Recurring transfers may be used when a set amount is transferred at regular intervals. An example of a recurring transfer is a \$100 transfer from a checking to a savings account that occurs every two weeks.
- One-time immediate transfers can be made from a linked checking, savings, or money market account to most linked Exchange State Bank accounts.
- Scheduled and recurring transfers can be made from a linked checking, savings, or money market account to a linked checking or savings account.
- Transfers from a deposit account are immediately reflected in the account's available balance.

□ Scheduled and Recurring Transfers:

- Transfers scheduled for a weekend or a non-bank Business Day will be processed on the prior bank Business Day. All other scheduled and recurring transfers will be processed from the funding account at the beginning of the Business Day requested.

□ Transfers to Credit Accounts

- Funds transferred as a payment to a line of credit, installment loan or mortgage account before 2:00 p.m. will be credited with the date the payment is submitted. Transfer payments submitted after 2:00 p.m. will be credited with the next Business Day's date. Updates to account balances, funds availability, and transaction postings may take up to two Bank Business Days.

□ Transfers to Deposit Accounts

- Funds transferred to a deposit account prior to 2:00 p.m. on a Business Day will appear with the same day's date in the deposit account transaction history. Funds transferred after 2:00 p.m. on a Business Day will appear on our next Business Day's date.
- Please note, immediately requested transfers to any deposit account on a Saturday, Sunday or Bank holiday, will appear with our next Business Day's date in the deposit account transaction history.

- All transfers out of a deposit account (such as checking, savings, money market) are immediately reflected in the account's available balance.

■ **Limitations and Dollar Amounts for Transfers**

Transfers made using Internet Banking are subject to the following limitations:

- One-time immediate transfers between linked Exchange State Bank accounts can be for any amount between \$0.01 and \$99,999.99;
- Scheduled and recurring transfers between linked Exchange State Bank accounts can be for any amount between \$0.01 and \$99,999.99;
- All transfer limits are subject to temporary reductions to protect the security of customer accounts and/or the transfer system; and
- At our discretion, we may refuse to process any transaction that exceeds any of the above limits. In this case, you are responsible for making alternate arrangements or rescheduling the payment or transfer within Internet Banking.

■ **Transfer Authorization and Sufficient Available Funds**

- You authorize the Bank to withdraw, debit, or charge the necessary funds from your designated account in order to complete all of your designated transfers.
- You agree that you will instruct the Bank to make a withdrawal only when a sufficient balance is or will be available in your account at the time of the withdrawal.
- The completion of a transfer is subject to the availability of sufficient funds (including any overdraft protection plans) at the time the transaction is posted. If enough funds to complete the transfer are not available, we may either (i) complete the transaction and overdraw the account or (ii) refuse to complete the transaction. In either case, we may charge a non-sufficient funds (NSF), returned item, overdraft, or similar fee. Please refer to the applicable account agreement and fee schedule for details.
- At our option, we may make further attempts to process the transfer request.
- The Bank is under no obligation to inform you when it has not completed a transfer because there are not sufficient funds or credit in your account to process the transaction. In these cases, you are responsible for making alternate arrangements or rescheduling the transfer within Internet Banking.

■ **Canceling Transfers**

One-time future-dated transfers and recurring transfers can be canceled by accessing the Internet Banking service prior to midnight on the Bank Business Day prior to the date the transfer is scheduled to be made. If the transfer's status is "In Process" or "Processed," you can no longer cancel it. After you cancel a future-dated transfer, the status changes to "Canceled."

The easiest and most convenient way to cancel a transfer is through the method described above. However, you may request to cancel a recurring or one-time future-dated transfer by calling the Bank at: 620-449-2225.

We must receive your phone request three (3) Bank Business Days or more before the transfer is scheduled for processing.

■ **Our Liability for Failure to Cancel or Stop the Transfer**

If you attempt to cancel a transfer in accordance with the above instructions and we do not do so, we will be liable for your actual losses or damages. Unless such liability is mandated by law or regulation, we will not be liable for: 1) any special, consequential, incidental or punitive losses, damages; or 2) expenses in connection with this agreement or the service, even if we have knowledge of the possibility of the loss. We will not be liable for any act, failure to act or delay in acting, if it is caused, in whole or in part, by any circumstance beyond our reasonable control.

■ **Accounts Linked to Your Internet Banking Service**

When you first set up your Online ID, we will link all of your eligible Exchange State Bank accounts. If you open an additional eligible account at a later date, we will link your new account to Internet Banking, unless you instruct the Bank not to do so. If you want to limit the accounts linked or the activity level assigned to an account, please call the Bank at 620-449-2225, and a representative will discuss the available options with you.

■ **Activity Levels for Linked Accounts**

Currently, there are two activity levels that can be assigned to your linked accounts:

- Inquiry—This level allows you to obtain current account balance and transaction information. This level does not allow transfers of funds between linked accounts.
- Financial—This level allows you to obtain account information, transfer funds between linked accounts, and add Bill Pay services.

When you first use Internet Banking, all of your linked accounts are assigned the activity level of “Financial.” If any additional accounts are linked to Internet Banking, they will automatically be assigned to the activity level of “Financial.” If you want to change the activity level assigned to your linked accounts, please call the Bank at 620-449-2225.

4. OTHER TERMS AND CONDITIONS

■ **Monthly Service Charge**

Except as otherwise provided in this Agreement, or your applicable account agreements and schedule of fees, there is no monthly service charge for accessing your linked accounts with the Internet Banking service.

In addition to the fees already described in this Agreement, you should note that depending on how you access Internet Banking, you might incur charges for:

- Normal account fees and service charges;
- Any Internet service provider fees;
- Purchase of computer programs such as personal financial management software;
- Payments or transfers made through Internet Banking from a savings or money market account may result in an excess transaction fee (see your savings or money market account for details);
- An NSF, returned item, overdraft or similar fee may also apply if you schedule payments or transfers and your available balance is not sufficient to process the transaction on the date scheduled or, in the case of a personal check, on the date when the check is presented to the Bank for payment.

■ **Service Hours**

Internet Banking services are available 365 days a year and 24 hours a day, except during system maintenance and upgrades. When this occurs, a message will be displayed online when you sign on to Internet Banking. A Bank representative is available from 8:30 a.m. to 4:00 p.m., Monday through Friday, excluding Bank holidays. You may also write to the Bank at:

Exchange State Bank
P.O. Box 188
St. Paul, KS 66771

■ **Business Days**

For Internet Banking services, our business days are Monday through Friday, excluding Bank holidays.

■ **Joint Accounts and Authorized Signers**

When your Internet Banking service is linked to one or more joint accounts, we may act on the verbal, written or electronic instructions of any owner or authorized signer. Joint accounts using the same Online ID will be identified as one service.

■ **Changes to Agreement**

We may change this agreement at any time. For example, we may add, delete or amend terms or services. We will notify you of any such change by adding a message on our website. If you log onto the Bank's Internet Banking Service or initiate any transfer of funds or bill payment through your Internet Banking service after such notification, you indicate your agreement to the change.

■ **Cancellation of Internet Banking Service**

Your Internet Banking service remains in effect until it is terminated by you or the Bank. You may cancel your service at any time by notifying the Bank of your intent to cancel in writing or by calling Internet Banking customer service at 620-449-2225. This cancellation applies to your Internet Banking service and does not terminate your Exchange State Bank accounts. We recommend that you cancel any scheduled payments prior to notifying the Bank that you are discontinuing the service.

We may terminate your participation in Internet Banking Service for any reason, including inactivity, at any time. We will try to notify you in advance, but we are not obliged to do so.

If you choose to cancel your Internet Banking Service, any unprocessed transfers will be canceled. If you use the Online Bill Pay service, a termination of your Internet Banking service will also terminate your Online Bill Pay service. Any unprocessed payments using the Online Bill Pay service will be canceled. We recommend that you cancel any scheduled payment prior to notifying the Bank that you are discontinuing the Internet Banking service. The Bank will cancel any scheduled payments within two (2) Bank Business Days from the date we receive your request to discontinue the service. If you close your primary checking account, or it's no longer linked to your

Online Bill Pay service, your Internet Banking service will end, and any unprocessed payments or transfers will be canceled.

■ **Use of External E-mail Address**

With Internet Banking services, we may send messages to your external e-mail address and notify you that responses to your payment inquiries or customer service inquiries are available, or as otherwise described within the Internet Banking service. We cannot act on instructions sent by you from an external e-mail address. If, for any reason, your external e-mail address changes or becomes disabled, please contact the Bank immediately so that we can continue to provide you with automated messages. You may notify the Bank of any changes to your external e-mail address by calling our Customer Service at 620-449-2225.

■ **Transfers From Savings and Money Market Deposit Accounts**

Federal regulations and the deposit agreement impose limits on the number of certain types of withdrawals and transfers you can make each month from a savings and money market deposit account. You can make no more than a total of six (6) automatic or preauthorized transfers, telephone transfers, or Internet Banking transfers or payments from a savings or money market deposit account each monthly statement cycle (each month for savings accounts with a quarterly statement cycle. If you exceed these limits, we may be required to convert your account to another type of account that is permitted to have unlimited withdrawals, and your account may no longer earn interest.

Each transfer or payment through the Internet Banking service from your savings or money market deposit account is counted as one of the six limited transfers you are permitted each statement period. We recommend that you not use a savings or money market deposit account as your bill payment account because of these limits on transfers. Please review the deposit agreement for your account for more information.

■ **Contact by Exchange State Bank or Affiliated Parties**

No Exchange State Bank employee, nor any company affiliated with Exchange State Bank, will contact you via e-mail or phone requesting your Online ID or online passcode. If you are contacted by anyone requesting this information, please contact the Bank immediately.

■ **Disclosure of Account Information**

We may disclose information to third parties about you or your transactions in the following instances:

- When it is necessary for completing transfers or bill payments, or to investigate or resolve a problem related to a transfer or payment;
- To verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- To comply with a government agency or court orders, or in connection with fraud prevention or an investigation;
- If you give the Bank your permission;
- With our affiliates as permitted under Federal and applicable state laws; or
- On a closed account, if we reasonably believe you have mishandled it.

For more information about our privacy and security practices and to link you to our Privacy Policy for Consumers, go to our website at: www.esbks.com and click on the Online Privacy Policy link.

■ **Account Statements**

We report your Internet Banking transactions on the monthly statements for your linked accounts. A description of each transaction, including the date and amount of the transaction will appear on your statement. In Internet Banking, the monthly statement for your checking account is shown on the **Online Statements link** of the **Account Details** page.

■ **Reporting Unauthorized or Erroneous Transactions**

If you detect unauthorized or erroneous transactions on any of your accounts, contact the Bank immediately at 620-449-2225.

Contact the Bank immediately if you think:

- Your statement or transaction record is wrong;
- You need more information about a transaction listed on your statement;
- An unauthorized person has discovered your Internet Banking passcode;
- Someone has transferred or may transfer money from your account without your permission; or
- Bill payment transactions have been made without your authorization.

For consumer accounts (accounts held by natural persons for personal, family or household use) only: The Electronic Funds Transfer Disclosure (Regulation E) that you received from us upon establishing your deposit account, which has been periodically updated, establishes our liability to a consumer customer for certain unauthorized or erroneous transactions. You acknowledge that the terms of that disclosure are incorporated herein by reference as if set forth in its entirety.

Tell the Bank AT ONCE if you believe your passcode has been lost or stolen, or if you believe that a transaction has occurred on your account without your permission. 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 the Bank within 4 Business Days after you learn of the loss or theft of your passcode, you can lose no more than \$50 if someone used your passcode without your permission. If you do NOT tell the Bank within 4 Business Days after you learn of the loss or theft of your passcode, you could lose as much as \$300.

We must hear from you no later than 60 days after we have sent the FIRST statement on which the problem or error appeared (or 90 days if the problem or error relates to a bill payment from an account maintained at another financial institution). If you do not tell us within 60 calendar days of learning of the problem or error, and we can prove that we could have stopped someone from using your passcode without your permission if you had told us within the 60 calendar days, you can be liable for unauthorized transfers occurring after the 60 calendar days.

If you tell the Bank verbally, we may require you to send the Bank your complaint or question in writing within ten (10) Business Days. If required, please include the following:

- Your name and account number;
- The date and dollar amount of the transaction in question;
- The name of the Payee if the transaction in question is a payment;
- The transaction number assigned by Internet Banking, if available; and
- A description of the transaction about which you are unsure.

Please explain as clearly and as detailed as you can why you believe there is an error or why you need more information.

We will tell you the results of our investigation within 10 Business Days after we hear from you, and we will promptly correct any error we have made. If we need more time, however, we may take up to 45 days to investigate your complaint or question. In this case, we will provisionally credit your account within 10 Business Days for the amount you think is in error, so that you have the use of the money during the time it takes the Bank to complete our investigation. If we ask you to put your complaint or question in writing, and we do not receive your letter in 10 Business Days, we reserve the right not to provisionally credit your account.

If we conclude there was an error, we will send you a written explanation within three (3) Business Days after we complete our investigation. You may request copies of the documents that we used in our investigation.

- **Limitation of Liability for Internet Banking Transactions**

When you give someone your Online Banking ID and passcode, you are authorizing that person to use your service, and you are responsible for all transactions that person performs while using your service. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. If you notify the Bank that the person is no longer authorized, then only transactions that person performs after the time you notify the Bank are considered unauthorized.

Transactions that you or someone acting for you initiates with fraudulent intent are also authorized transactions.

For your protection, sign off after every Internet Banking session and close your browser to ensure confidentiality.

- **Our Liability for Failure to Complete Transactions**

If we do not complete a transaction 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. However, we will not be liable for any special, consequential, incidental or punitive losses, damages, or expenses in connection with this agreement or the service, even if we have knowledge of the possibility of the loss, unless such liability is mandated by law or regulation. We will not be liable for any act, failure to act or delay in acting, if it is caused, in whole or in part, by any cause beyond our reasonable control. For instance, we will not be liable:

- If, through no fault of ours, you don't have enough available funds in your account to cover the transaction or transfer;
- If Internet Banking services weren't working properly, and you knew about the malfunction when you started the transaction or transfer;
- If circumstances beyond our control (such as fire or flood) prevented the transaction or transfer, despite reasonable precautions we've taken; or
- If there are postal delays or processing delays by the Payee;

There may be other exceptions not specifically mentioned.

For business accounts only (including accounts owned by Sole Proprietors and Trusts)

- **Protecting Your Passcode**

You agree that we may send notices and other communications, including passcode confirmations, to the current address shown in our records, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that the Bank will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business. You agree to: 1) keep your passcode secure and strictly confidential, providing it only to authorized signers on your account(s); 2) instruct each person to whom you give your passcode that he or she is not to disclose it to any unauthorized person; and 3) immediately notify the Bank and select a new passcode if you believe your passcode may have become known to an unauthorized person. **The Bank will have no liability to you for any unauthorized payment or transfer made using your passcode that occurs before you have notified the Bank of possible unauthorized use and we have had a reasonable opportunity to act on that notice.** We may suspend or cancel your passcode even without receiving such notice from you, if we suspect your passcode is being used in an unauthorized or fraudulent manner.

- **Acknowledgment of Commercially Reasonable Security Procedures**

By using Internet Banking, you acknowledge and agree that this Agreement sets forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by instructions, whether authorized or unauthorized, which we implement in compliance with these procedures, unless you have given the Bank prior notice of possible unauthorized use as described above (and we had a reasonable opportunity to act on such notice).

- **Limitation of Bank's Liability**

We will not be liable for any act, failure to act or delay in acting, if it is caused, in whole or in part, by any cause beyond our reasonable control. For instance, we will not be liable:

- If, through no fault of ours, you don't have enough available funds in your account to cover the transaction or transfer;
- If Internet Banking services weren't working properly, and you knew about the malfunction when you started the transaction or transfer;
- If circumstances beyond our control (such as fire or flood) prevented the transaction or transfer, despite reasonable precautions we've taken; or
- If there are postal delays or processing delays by the Payee;

There may be other exceptions not specifically mentioned.

If we fail or delay in making a payment or transfer pursuant to your instructions, or if we make a payment or transfer in an erroneous amount that is less than the amount per your instructions, unless otherwise required by law, our liability shall be limited to interest on the amount that we failed to timely pay or transfer. The interest on the amount is calculated from the date on which the payment or transfer was to be made until: (1) the date it was actually made or (2) the date you canceled the instructions. We may pay such interest either to you or the intended recipient of the payment or transfer, but in no event will we be liable to both parties, and our payment to either party will fully discharge any obligation to the other party.

If we make a payment or transfer in an erroneous amount that exceeds the amount per your instructions, or if we permit an unauthorized payment or transfer after we have had a reasonable time to act on a notice from you of possible unauthorized use as described above, unless otherwise required by law, our liability will be limited to a refund of the amount erroneously paid or transferred, plus interest thereon from the date of the payment or transfer to the date of the refund, but in no event to exceed 60 days' interest. If we become liable to you for interest compensation under this Agreement or applicable law, such interest shall be calculated based on the average federal funds rate at the Federal Reserve Bank of Kansas City for each day interest is due, computed on the basis of a 360-day year. **Unless otherwise required by law, in no event will the Bank be liable to you for special, indirect or consequential damages including, without limitation, lost profits or attorney's fees, even if we are advised in advance of the possibility or such damages.**