

Online Services

Online Banking Agreement

This Online Banking Agreement explains the terms and conditions of our basic online banking services offered by Peoples State Bank of Hallettsville. By using our online banking services, you agree to abide by the terms and conditions of this Agreement. Please read this agreement carefully and keep a copy for your records because it contains important information and guidelines for using our online services. Your banking services and each of your accounts are also governed by the applicable Disclosures, Rates and Fee Schedules provided by Peoples State Bank in your deposit and loan agreements given to you when your accounts were established.

Enrollment

Each person must be enrolled in online banking to have access to his or her accounts. You must be at least 18 years of age to access online banking. The only accounts accessible to you are the accounts in which you have ownership (authorized signers, POA's or convenience signers require account owner permission). Do not share your user id and login with your spouse, significant other, or children especially if you have a DDA account and/or loan account that is owned by you only and wish this information not to be accessed by someone else other than yourself.

Charges

As a user of this Service, you will not be charged a fee. For other charges applicable to your deposit account, refer to our schedule of fees.

Access to online services

You are responsible for the selection, installation, maintenance and operation of your access devices and software. It is your responsibility to keep your browser, software, and operating systems current. Once you have completed the Internet banking enrollment process and verified your account information you will gain access to your online accounts through the use of your internet-enabled access device, ISP (internet service provider), User ID and Password. You may access your online account 24 hours a day, 7 days a week; however, availability of services may be suspended for brief periods of time due to maintenance or other reasons beyond our control.

Online Business Day/Hours of Operation

The Internet Banking Service is available 24 hours a day, seven days a week, except during maintenance periods. Transactions initiated before 4:00 P.M. CST on a business day are posted to your account the same day. Transactions initiated after that time on a business day, Saturday, Sunday, or bank holiday, will post on the next business day.

Consumer Accounts

Certain provisions of this Agreement apply only to Consumer Accounts. The consumer protection provisions of the federal Electronic Fund Transfer Act and Regulation E apply only to electronic fund transfers involving Consumer Accounts. Please refer to the Electronic Fund Transfer Disclosure and your Deposit Account Agreement for more information.

Business (Non-consumer) Accounts

If your Accounts are owned by an entity other than a natural person or were established primarily for business, commercial or agricultural purposes, then any Online Banking electronic fund transfer will be considered an "authorized use," and your liability for any Online Banking transaction relating to that Account will be unlimited, notwithstanding the provisions of the Electronic Fund Transfer Act, Regulation E, or any standardized literature or disclosures we may send you.

Online Functions

By accessing the online banking, you may use the following functions:

- Transfer funds between eligible accounts
- Obtain balance information on eligible accounts
- Obtain other services or perform other transactions that we allow.
- Review transactions on eligible accounts
- Online bill payment(s)
- Obtain e-statements
- Order checks
- Request stop payments
- Set up alerts and notifications
- ACH Activities — Separate Enrollment and Agreement Required
- Business Online Functions — Separate Enrollment and Agreement Required

Online Transfers

You may use these services to transfer funds between your eligible accounts (internal transfers only). If you submit a transfer request prior to 6:00 PM on regular business days, your transfers will take place on the same business day. Transfers requests after 6:00 pm on business days and all transactions requested on weekends and bank holidays will be processed on the bank's next business day. You must have sufficient funds available in the selected account at the time the transfer is received.

Statements

Electronic statements are made available to you if you have enrolled to receive E-statements via online banking. Refer to the E-Statement agreements and terms at the time when you enrolled for electronic delivery of your statements.

Electronic Notices

Electronic notices are made available to you if you have enrolled to receive E-Statement/E-Notices via online banking

Password and Security

You will be required to change your password the first time you log into the online banking System. Your password should never be words that can be found in the dictionary or numbers that can be found on other personal documents. Your password will be case sensitive, must contain at least 8 characters and have characters from EACH of the following groups:

- Letters
- Numerals
- Special Characters, for example (!@#\$%^&*?+=~.~)

You will be required to change your password periodically to enhance security. If you forget your password please contact us at 361-798-3237 to have a new temporary password issued. Please safeguard your password and do not, under any circumstances, release it to anyone. If you enter your password incorrectly after three attempts, you will need to contact us to reset your password. If you believe that your User ID or password has been lost, stolen, compromised, or that someone may attempt to use the services without your consent or has transferred money without your consent or suspect any fraudulent activity, call the bank immediately at 361-798-3237. Calling us is the best way of minimizing your losses and liability. Along with changing your password you will be asked to answer a few secondary security questions. Randomly, when you log into the internet banking website, you will be asked to answer some of these secondary security questions.

Liability for Transactions

You are liable for all transactions made or authorized using your password. Do not, under any circumstances, disclose your password to anyone claiming to represent Peoples State Bank. Peoples State Bank employees do not need and should not ask for your password. Do not disclose your password to anyone. If, despite the Bank's advice, you give your password to anyone, you do so at your own risk. Anyone with access to your online banking password or other means of account access will have full access to your accounts, even if the other person exceeds the authority you intended or agreed upon. Should you believe your password has been compromised, please request that it be changed immediately by contacting our office. You hereby agree to release Peoples State Bank from any liability and agree not to make any claim or bring any action against us for striving to carry out the requests made through the online banking system under your password. You also agree to indemnify Peoples State Bank and hold it harmless from and against all liability (including but not limited to reasonable attorney fees) arising from any such claims or actions. Peoples State Bank is entitled to act on instructions received through Online Banking under your password and without inquiring into the identity of the person using the password. Peoples State Bank has no responsibility for establishing the identity of any person using your password.

Liability

If a transfer to or from your account is not completed on time or in the correct amount, according to our agreement with you, we may be liable for a portion of your losses or damages. However, the following exceptions apply:

- If, through no fault of the bank, you do not have enough money in your account to make a funds transfer,
- If the money in your account is subject to any holds that would prevent transfers from occurring,
- If your funds are subject to be a legal proceeding or other encumbrance restricting a funds transfer,
- If you believe someone has accessed your account without your permission and you fail to notify us immediately,
- If we receive incomplete or inaccurate information from you or a third party involving the account or transfer,
- If the Internet Banking System was not working when you started the transfer,
- If circumstances beyond our control (such as fire, flood, power outage or systems failure) prevent the transfer, despite reasonable precautions that we have taken.

There may be other exceptions stated in this agreement and in other agreements with you. In no event shall Peoples State Bank be liable for damages more than your actual loss due to our failure to complete a transfer, and we will not be liable for any incidental or consequential damages.

MOBILE BANKING SERVICE

User Responsibility

Mobile banking is comprised of access to certain information regarding your account and the ability to conduct certain transactions through your mobile device's internet browser, through a downloadable application. Peoples State Bank offers mobile banking as an added convenience to our customers. It is not intended to replace your access to or replace the full functionality of your computer access for managing your accounts with us. To enroll in mobile banking, you must be enrolled in Online banking. To access mobile banking through an application on your mobile phone or device, you will need to search for Peoples State Bank and download the mobile application at either the Google© Play or the Apple© Store. You agree to take every precaution to ensure the safety, security and integrity of your account and transactions when using mobile banking. You agree not to leave your device unattended while you are logged into an active session and to log off as soon as possible at the completion of your access to your accounts. You agree to inform us of any changes in your phone number, loss of your mobile device (no longer in your possession or control) and any other change that might affect providing this mobile service to you. It is your responsibility to notify us if you suspect unauthorized use of your User ID or password. You are responsible for keeping your user ID and passwords confidential and logging out of your account after each session to prevent unauthorized use of your information. If you permit other persons to use your device, login

information or other means to access mobile banking, you are responsible for any transactions they authorize and we will not be liable for any damage resulting to you. We make no guarantees that the content or the use of mobile banking is available outside the United States. Accessing mobile banking outside the United States is at your own risk. You acknowledge and agree that mobile access devices are susceptible to viruses, spy ware, worms, malware, Trojan horses and other unauthorized programs or software. You are solely responsible for taking appropriate measures to adequately protect your mobile device from such harm of these viruses which may result in lost or stolen data, damage to programs, file or graphics, lose the ability to operate your device or other issues. We are not responsible or liable for any direct, incidental damage as a result of such viruses detected or present on your mobile device nor from any incident or circumstance in which sensitive or confidential information is accessed through mobile banking in an unauthorized manner by such viruses at any point or from any source. It is recommended by the bank that you disable Bluetooth when your mobile phone is not in use. If your phone is lost or stolen the bank recommends you cancel your mobile phone service. Always be responsible and download mobile applications only from trusted sources.

Mobile devices

Mobile banking is not available through all devices. The selection of your device that will enable you to access mobile banking is your sole responsibility and all issues relating to the operation, performance, and costs associated with such device is between you and your communications service provider. Your communications service provider may impose extra fees to make such device data capable and to exchange data between your device and mobile banking (ex. Text messaging). You are responsible for all charges imposed by your mobile device provider.

Mobile Deposit Capture

This Online Banking Agreement between you and Peoples State Bank sets forth the terms and conditions which includes Mobile Deposit Capture Service (the "Service"). You will be required to agree to an addendum to this online banking agreement which allows you to deposit certain checks into certain deposit accounts that are eligible to receive mobile deposits using a software application installed on your supported mobile device. The service is designed to allow you to submit check deposits to your checking, money market checking or savings accounts from your compatible camera-enabled mobile device (i.e. smartphone, tablet etc.) capable of capturing check images and information and electronically delivering the items and associated deposit information to the bank or the bank's designated processor. The device must capture an image of the front and back of each check to be deposited in accordance with the Procedures; must read and capture the magnetic ink character recognition ("MICR") line on each check; and must read and capture all such other data and information as is required by the bank's Agreement or Federal Reserve regulations for the processing of these checks for payment.

Online bill payment service

If you apply and are approved for this service, payments may be made only from a checking account with Peoples State Bank. If you link more than one account to the service, you must specify which

account you want to use to make payments. You may not initiate payments from a checking account that requires more than one signature or from a Money Market account or Certificate of Deposit. We are not responsible if you attempt to do so. Please carefully read the agreement for online bill payment service provided by RXP CheckFree as it contains important information and guidelines for using this service. The terms and conditions for this service are located on the home page of RXP CheckFree once you are logged in.

Data Recording

You agree that we may record electronic messages you enter in the online system.

Electronic Mail (E-Mail)

You can send us electronic mail (E-mail); however, we may not receive it immediately. You should not rely on email if you need to communicate with us immediately (e.g., Report unauthorized transactions on account or debit card or place a stop payment on an item). If you need to contact us immediately, you should contact us at 1-361-798-3237. E-mail may not be used to initiate transactions on your accounts. We require a reasonable time to act upon any email request and reserve the right to refuse any instruction or request received by email (e.g. wire transfer request). General email transmissions ARE NOT SECURE. We advise you not to send us or ask for sensitive information such as account numbers, social security numbers, passwords, etc. via email. If you choose to contact us electronically, please use the secure "email" that is provided through our secure online banking site. You agree that email or other communications viewed or transmitted between you and the bank through our secure, online banking shall be treated as "in writing" and shall bind each of us in the same way as written communications.

Stop Payments on-line

You must make any stop payment in the manner required by law and we must receive it in time to give us reasonable time to act on it before our bank cut off time. When you place a stop payment, our online form will tell you what information we need to stop a payment. This information must be EXACT. If your information is not exact, your order will not be effective, and we will not be responsible for failure to stop payment. You may place a stop payment on any payment other than ATM withdrawals and POS (Point of Sale) transactions. A release of a stop payment request may be made only by the person that initiated the stop payment or a joint owner on the account. Additional limitations on stop payments were provided to you at the time of account opening.

Indemnification

You agree to indemnify, defend and hold us, our affiliate companies, directors, officers, employees and agents harmless against any third party claim, demand, suit, action or other proceedings and any expenses related to an online banking or bill payment account or use of online banking services.

Virus Protection

The Bank is not responsible for any electronic virus or viruses that you may encounter. We suggest that you routinely scan your access devices using a virus protection product. An undetected virus could corrupt and destroy your programs, files, and your hardware.

Links to Other Sites

Our website may contain links to other websites, and they are solely provided to you as an additional convenience. You understand and acknowledge by clicking and activating such links you will leave our website and go to another website and that we do not screen, review or approve or endorse any content or information contained in these linked websites. We are not responsible for the performance of those sites or for your business dealings with them. We are not liable for any failure of products and services advertised on those sites. Please use caution when using linked websites, as they may be less secure than the website you are leaving.

Electronic Messaging and Notices

General inquiries concerning maintenance and other issues should be directed to our bank. See the "Contact Us" link on the Peoples State Bank home page. You should not use this form or regular e-mail to initiate banking transactions or give personal identifying information.

Disclosure of Account Information to Third Parties

We will disclose information to third parties about your account or the transfers you make:

- To complete transfers, as necessary.
- To verify the existence and condition of your account upon the request of a third party, such as a credit union or merchant; or
- To comply with a government agency or court orders; or
- If you give us your written permission.

Liability for Unauthorized Transfers --CONSUMER ACCOUNTS ONLY

In case of errors or questions about your electronic transfers, telephone us at 361-798-3237, write us at Peoples State Bank, 116 E 3rd Street PO Box 347 Hallettsville, TX 77964, or email us at **www.psbhallettsville.com** as soon as you can. If you think your statement is wrong or if you need more information about a transfer listed on your statement, we must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- 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.
- 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 determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will 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 credit your account. If a notice of error involves an electronic fund transfer on a new account that occurred within (30) days after the first deposit to the account was made, point of sale (POS) debit card transactions, or foreign initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Termination of Online Services

We may immediately terminate any or all the online services without notice to you under the following circumstances:

- Failure to pay any applicable fees for use of services,
- Failure to comply with the agreement governing your deposit or loan accounts or
- Your accounts are not maintained in good standing.

If you want to terminate this agreement, you must notify the bank and provide us your name, address, any verifying information to prove your identity and the service you are discontinuing and the desired date of termination. You may terminate a service by one of the following methods:

- In writing to Peoples State Bank, PO Box 347, Hallettsville, TX 77964
- Calling us at 361-798-3437
- Visiting us at our banking location of 116 East Third St., Hallettsville, TX 77964.

Your services may become inactive if you do not sign on or have any transactions being performed through our online services during any 365-day (1 year) period. If your account is considered inactive or dormant, you may be required to contact us to have the services activated before you will be able to schedule any future transactions through the online services. If your account is closed or restricted for any reason, online banking accessibility will automatically terminate and will have no access to previous information or e-statements if you were receiving them electronically. Indicate your acceptance of this agreement using the buttons below to proceed with the enrollment process.

Peoples State Bank of Hallettsville Alerts Terms and Conditions

Alerts. Your enrollment in Peoples State Bank of Hallettsville Online Banking and/or Mobile Banking (the "Service") includes enrollment to receive transaction alerts and notifications ("Alerts"). Alerts are electronic notices from us that contain transactional information about your Peoples State Bank of Hallettsville account(s). Account Alerts and Additional Alerts must be managed and/or added online through the Service. We may add new alerts from time to time, or cancel old alerts. We usually notify you when we cancel alerts, but are not obligated to do so. Peoples State Bank of Hallettsville reserves the right to terminate its alerts service at any time without prior notice to you.

Methods of Delivery. We may provide alerts through one or more channels ("**endpoints**"): (a) a mobile device, by text message, (b) a mobile device, by push notification; (c) an email account, by an e-mail message; or (d) your **Peoples State Bank of Hallettsville** Online Banking message inbox. You agree to receive alerts through these endpoints, and it is your responsibility to determine that each of the service providers for the endpoints described in (a) through (c) above supports the email, push notification, and text message alerts provided through the alerts service. Please be advised that text or data charges or rates may be imposed by your endpoint service provider. Alert frequency varies by account and preferences. You agree to provide us a valid mobile phone number or email address so that we may send you alerts. If your email address or your mobile device's number changes, you are responsible for informing us of that change. Your alerts will be updated to reflect the changes that you communicate to us with regard to your primary and secondary email addresses or mobile device number.

Alerts via Text Message. To stop alerts via text message, text "**STOP**" to **99588** at anytime. Alerts sent to your primary email address will be unaffected by this action. To restore alerts on your mobile phone, just visit the alerts tab in **Peoples State Bank of Hallettsville** Online Banking. For help with SMS text alerts, text "HELP" to **99588**. In case of questions please contact customer service at **361-798-3237**. Our participating carriers include (but are not limited to) AT&T, SprintPCS, T-Mobile®, U.S. Cellular®, Verizon Wireless, MetroPCS.

Limitations. **Peoples State Bank of Hallettsville** provides alerts as a convenience to you for information purposes only. An alert does not constitute a bank record for the deposit or credit account to which it pertains. We strive to provide alerts in a timely manner with accurate information. However, you acknowledge and agree that your receipt of any alerts may be delayed or prevented by factor(s) affecting your mobile phone service provider, internet service provider(s) and other factors outside **Peoples State Bank of Hallettsville's** control. We neither guarantee the delivery nor the accuracy of the contents of each Alert. You agree to not hold **Peoples State Bank of Hallettsville**, its directors, officers, employees, agents, and service providers liable for losses or damages, including attorneys' fees, that may arise, directly or indirectly, in whole or in part, from (a) a non-delivery, delayed delivery, or the misdirected delivery of an Alert; (b) inaccurate or incomplete content in an Alert; or (c) your reliance on or use of the information provided in an Alert for any purpose.

Alert Information. As alerts delivered via SMS, email and push notifications are not encrypted, we will never include your passcode or full account number. You acknowledge and agree that alerts may not be encrypted and may include your name and some information about your accounts, and anyone with access to your alerts will be able to view the contents of these messages.