

State Bank of DeKalb

Online Banking, Mobile Banking, Electronic Statements, Electronic Notices, Service Terms, Conditions and Disclosures

The following Terms and Conditions govern your use of Internet Banking offered by State Bank of DeKalb (“State Bank”, “we”, “us”) for accounts held at State Bank. By using Internet Banking, you agree to these Terms and Conditions. You may print this document for your files or you can request a copy by mail by calling State Bank at 903-667-1349. Or you can write to: State Bank, P.O. Box 668, DeKalb, TX 75559.

Types of Available Transfers and Services

Here's what you'll be able to do on your computer with Internet Banking:

- Obtain available balance information for Deposit, Savings, Loans, Line of Credit Accounts, CD's and IRA's. Credits initiated for loans and lines are not reflected in the Available Balance until after one business day. Although debits/credits may not appear until a day or so later, they will be considered debited or credited on the date they occur.
- Review transaction information for the last twelve months or one year of statement periods for deposit accounts.
- Make transfers from your checking, savings or other asset accounts to your checking, savings or other accounts, revolving credit, installment loan or mortgage accounts.
- Access information on State Bank products and services.
- Obtain a summary of checking, savings, money market, CDs, IRAs, or other, revolving credit, installment loans and mortgage accounts.
- Send secure messages to us.
- Register for the Bill Pay service to pay bills
- View, print and download electronic statements or notices and disclosures by enrolling in the eStatement Service, which will also cancel your paper statement. State Bank online-only accounts receive only electronic delivery of statements, notices and disclosures.

Account Access

Access information about the following types of Accounts:

State Bank Products

- Checking Accounts
- Savings Accounts
- Certificate of Deposit Accounts (CDs)
- Individual Retirement Accounts (IRAs)
- Line of Credit Accounts
- Installment Loans
- Mortgages
- Home Equity Lines of Credit

- Fiduciary accounts
- Any account that requires two or more signatures.
- Any account in the name of a child under 18 years of age.

Any person you have authorized to access your Personal Internet Banking Account is authorized to:

- Accept these Terms and Conditions, as amended from time to time
- Access each eligible Account of yours in any manner and for any purpose available through Internet Banking, whether available now or available at some time in the future. Access includes making transactions on linked accounts, such as checking or savings accounts.

Any eligible Account opened at a future date you will need to request to be linked to Internet Banking.

Removal of Account Access

You may remove access to any Account by notifying State Bank by written correspondence. All State Bank online-only accounts require that you access the accounts only through Internet Banking and such accounts will need to be closed if you want to remove online access.

Your Log On Credentials

Your log on credentials are used to identify you when accessing Internet Banking. They act as your signature.

You can change your log on credentials at any time. For your protection, you should memorize your log on credentials and not keep any notation of them on or with your computer. Your log on credentials assure that only you, or someone to whom you give your log on credentials, can access your Internet Banking Account. You agree not to give your log on credentials to anyone you do not authorize to use your Internet Banking Account. If you do, you will be responsible for any money withdrawn or transferred from your Accounts when such person uses your log on credentials.

If any of your Accounts are joint accounts or have additional authorized signers, each owner, or authorized signer is entitled to their own log on credentials to access their Internet Banking Account.

You understand and agree that to the extent permitted under applicable law each owner of an Account is jointly and individually responsible for all Internet Banking transactions that affect that Account, using Internet Banking.

Limitations on Frequency of Transfers and Dollar Amounts

You may use Internet Banking as often as you would like. Internet transfers must not exceed your Available Balance in the Account on the day the transfer is made, unless you have authorized State Bank to utilize your available balance from your State Bank Overdraft Protection Service or your State Bank Overdraft Privilege Service. Transfers from your line of credit account are subject to the terms of the credit agreement. If you make Internet Banking Transfers from your savings account to another of your Accounts, those transfers are counted as telephone transfers and are subject to the Transfer Limits contained in the Rules for Deposit Accounts. If you exceed the transfer limits, then State Bank may be required to close your savings account and transfer the balance to a checking account.

You may cancel a future transfer by finding the transfer in 'Scheduled Transfers'. Select an account or a date range to narrow your search. Select the transfer by clicking on the date, and then you can modify or delete the transfer.

State Bank may reject a transfer instruction if there are insufficient Available Funds in your Account, or if the usable balance in your State Bank Overdraft Protection Service or State Bank Overdraft Privilege Service are exceeded, or for any other reason.

State Bank Mobile Banking

Mobile Banking is an extension of Internet Banking and is available to all customers who have enrolled in the service. To use Mobile Banking customers are required to use their Mobile Banking log on credentials.

Mobile Banking will not store your log on credentials. You agree that you will not use an auto-complete feature which stores your log on credentials and that you will not save your log on credentials on your mobile device.

You agree that you will not install unfamiliar software onto your mobile device or if you have not read the Terms and Conditions for that software.

You agree to download mobile security software updates when available. You agree that your mobile device will be locked if it is left unattended. As part of the security of your data, you must accept cookies. Cookies remind State Bank of your browser preferences and security requirements.

You agree to log off of Mobile Banking at the completion of your online session.

You agree not to access your State Bank Mobile APP via Public WI-FI.

Please contact State Bank in the event that your mobile device is lost or stolen and you believe you were not logged off and / or believe your log on credentials may have been compromised, please contact the bank. State Bank also recommends that you contact your wireless service provider to have your device deactivated.

State Bank does not charge a fee for the using Mobile Banking. The usual and customary fees that the Bank may charge for any products and services provided continue to apply. You may incur internet data charges and call costs from your mobile service provider/internet service provider.

Electronic Funds Transfer Provisions for Consumers

The provisions in this section apply only to electronic funds transfers (EFT's) that debit or credit a consumer's checking, savings or other asset account and are subject to the Federal Reserve Board's Regulation E. State Bank may rely on any exceptions to the provisions in this section that are contained in Regulation E. All terms not otherwise defined in these Terms and Conditions which are defined in Regulation E will have the same meanings when used in this section as they do in Regulation E.

- Tell us AT ONCE if you believe your debit card has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. 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 2 business days after you learn of the loss or theft of your debit Card you can lose no more than \$50 if someone used your debit Card without your permission.
- If you do NOT tell us within 2 business days after you learn of the loss or theft of your debit Card and we can prove we could have stopped someone from using your debit Card 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, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 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 will extend the time periods.

Telephone Number and Addresses

The telephone number and address to be used to notify State Bank when you believe that an unauthorized EFT has been or may be made are:

- Customer Service at 903-667-1349
- Or you may write to: State Bank, P.O. Box 668, DeKalb, TX 75559.

Your Right to Receive Documentation of Transfers

You will receive a periodic statement in the mail for each Account, unless you have chosen to receive eStatement Service. Your statement will reflect all your transactions, including your Internet Banking transactions. Your periodic statement will reflect bill payments, if you have registered for the Bill Pay service.

Liability for Failure to Complete Internet Banking Transactions

If State Bank does not complete an Internet Banking Transaction on time or in the correct amount according to this Agreement with you, State Bank will be liable for your losses or damages caused by such failure but not for any special or consequential damages, unless required by applicable law. However, there are some exceptions. We

will not be liable for any indirect, incidental, special or consequential damages if our failure was not intentional and resulted from a bona fide error, notwithstanding our procedures to avoid such error, for instance:

- IF you do not have enough available funds in your Account to make your transfer, unless you have authorized State Bank to use your available balance from your Overdraft Privilege or your Overdraft Protection account.
- IF your computer malfunctions.
- IF the Web Browser or the processing center of State Bank or its agent that is used for Internet Banking is not working properly and you knew or were advised by State Bank or its agent about this when you made the Internet Banking Transaction.
- IF circumstances beyond our control (such as fire, flood, computer failure or interference from an outside force) prevent the Internet Banking transaction from being properly made or completed.
- IF your log on credentials have been reported lost or stolen or we have reason to believe that the Internet Banking transaction is unauthorized.
- IF the transaction would violate any applicable provision of any risk control program or applicable policies, procedures or practices, or government regulations.
- IF we have reasonable cause not to honor an instruction for our protection or for yours.
- IF your Internet Banking access has been suspended.
- IF the funds in your Account are subject to legal process or other encumbrance restricting the transfer.
- IF the payee has a mailing address outside the U.S.
- There may be other exceptions stated in our agreements with you.

In Case of Errors or Questions about Your Personal Internet Banking Transactions

If you think your Account statement sent to you by State Bank or transaction information obtained by you through Internet Banking is wrong or if you need more information about an Internet Banking transfer listed on that statement, contact us as soon as possible. You must notify us no later than 60 calendar days after we sent, or you obtained through Internet Banking, the first statement in which the problem or error appeared. Call the telephone number on your statement or 903-667-1349.

Representatives are available Monday - Friday 8:00am – 5:00pm CST.

You may also write State Bank at:

State Bank, P.O. Box 668, DeKalb, TX 75559.

1. Tell us your full legal name and the last four numbers of your Account number.
2. Describe the error or 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.
3. Tell us the dollar amount of the suspected error.
4. Tell us the date the error occurred.

If you inform us verbally, we may require that you send us your complaint or question in writing within 10 Business Days.

We will report back to you within 10 Business Days after we hear from you and will correct any error promptly. If we require more time, however, we may take up to 45 calendar days to investigate your complaint or question. If we decide to do this, we will credit your Account within 10 Business Days for the amount you think is in error, so that you can use 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 10 Business Days, we do not have to re-credit your Account.

If a notice of error involves an Internet Banking transaction that occurred within 30 days after the first deposit to the account was made, the time period for action listed above will be 20 Business Days in place of 10 Business Days and the time period for investigation will be 90 calendar days in place of 45 calendar days.

If we decide that there was no error, we will send you a written explanation within 3 Business Days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

If your Account is in the joint names of you and one or more other persons, then each of you will be responsible for Internet Banking transactions made by any of you.

Electronic Delivery of Notices and Disclosures

- If you choose the eStatement Service for State Bank Product account(s), you will receive an email alert when your periodic online statement is ready or when notices or other disclosures are available. It is your responsibility to inform us of any changes to your email address.
- Savings accounts are eligible for eStatements.
- Any statement shown on Internet Banking that does not have the electronic statement indicator selected will continue to be delivered through the U.S. Mail.

Accessing eStatements

State Bank will send electronic notice to the email address provided and deliver selected periodic account statements, notices and other disclosures to your State Bank Internet Banking account. You will have access to an electronic version of your account statement(s) for up to 12 months. This service provides you with the flexibility to print and save account statements that are made available online. You may select electronic delivery of one or all of the listed statements.

Your paper statement on request

At your request, State Bank will send you a paper copy of your electronic statement previously delivered through the Internet Banking service at any time. State Bank's standard fee then in effect and charged for paper delivery copies of account statements will apply. Paper copies of electronic statements can be requested by contacting State Bank at 903-667-1349 or other location as State Bank may advise. A request for a paper copy does not cause a termination of the electronic statement service. A paper copy of electronic statements can be obtained until the copy is no longer required to be maintained as a record for the designated account under applicable law or regulation.

State Bank will mail to you paper copies of account disclosures, statements, notices and other communications for accounts included in your eStatement Service, including any applicable IRS Forms 1099.

Joint personal account holders

Each joint account holder may sign up to receive eStatements individually.

State Bank may deliver paper disclosures at its discretion, State Bank may deliver statements, notices, agreements, disclosures and information about your account(s) in paper form to your last postal mailing address of record.

State Bank will send an email alert when your eStatement is available The only notice that you will receive advising you that your electronic periodic statement has been posted to Internet Banking will be by email alert sent to the single, specific email address selected and confirmed and validated by you upon enrollment. One attempt will be made to notify you by email that your eStatement is available to view. This email will be the only notice you will receive and no other notice will be sent. Any and all notices sent by State Bank to the email address will constitute sufficient and effective delivery to you and all owners of the information contained in your electronic statement whether or not you access or review the notice, Internet Banking

site or specific electronic statement, and shall be deemed to have been delivered to you personally, whether actually received or not. You agree to maintain access to Internet Banking in a manner that gives you continuous ability to access, review and print your electronic statements and to receive and access all notices sent to you at the designated email address. It is your sole responsibility to advise State Bank immediately of any changes or updates to the designated email address. There are certain risks associated with the transmission of email notices through the Internet including but not limited to unauthorized access, system outages, delays, disruption in telecommunications services and the Internet. Email is not private or secure. The email notice sent to you by email is an unencrypted, automatic notice. Although the notice is not intended to contain personally identifiable confidential financial information, it may contain in its design, part or all of your name or other identifier, which could be seen or intercepted by others if delivered to your business address or other computers or electronic devices not exclusively under your control. Do NOT respond to the email notices by return email, or use the reply function to request information, service, paper copies or other items or to revoke consent. State Bank will not be responsible to act upon requests made in that manner.

Canceling the eStatement Service

You or any designated account owner may revoke consent for the eStatement Service for one or more State Bank account(s) accessed through Internet Banking, at any time by contacting the bank. Upon such termination, delivery of paper copies of periodic account statements, notices and disclosures will resume within a reasonable time. Termination of the eStatement Service does not affect the validity or legal effect of any eStatement Service delivered to you or any owners of the account(s) through Internet Banking. Termination of the eStatement Service does not terminate the Internet Banking service unless otherwise so stated.

Hardware and Software Requirements

You agree that you have or will have access at all times to a personal computer capable of supporting at your cost; high level browser encryption, Internet access, a valid email address, and Internet Banking. You must also have access to Adobe Acrobat Reader to utilize PDF files.

If the method of electronic delivery by State Bank changes so as to require additional software, upgrades, plug-ins or additional security features in your hardware or software system used by you for State Bank Products account(s), you may terminate the eStatement Service or you may agree to upgrade your hardware or software system to the required standards.

If State Bank determines that a change to the eStatement Service concerning any future system or hardware enhancement creates a material risk that you may not be able to access or retain a subsequent electronic record, State Bank will notify you of such change and allow you to withdraw consent for this eStatement Service for State Bank Products account(s), whereupon State Bank may terminate this service until you choose to enroll again in this service and deliver a new consent to participate in this service by accepting State Bank's online consent form posted on Internet Banking

You understand that your accessing electronic statements through Internet Banking and receiving email notices may incur certain costs associated with email, electronic access, downloading, online time and subscription costs associated with Internet and telecommunications service providers, paper and printing costs, and equipment or software upgrades if necessary. You agree that you will pay all such costs and expenses in connection with your use of the eStatement Service.

Indemnification

Except to the extent that we are liable under these Terms and Conditions or an agreement that governs an Account of yours, if you are an owner of an Account, you agree to indemnify and hold us, our directors, officers, employees and agents harmless from all loss, liability, claims, demands, judgments and expenses arising out of or in any way connected with an Account or the performance of Internet Banking or Mobile Banking. This indemnification is provided without regard to whether our claim for indemnification is due to the use of Internet Banking by you or your authorized representative.

Limitation of Liability

Except as specifically provided in these Terms and Conditions or where applicable law requires a different result, NEITHER WE NOR OUR SERVICE PROVIDERS OR OTHER AGENTS WILL BE LIABLE FOR ANY LOSS OR LIABILITY RESULTING IN WHOLE OR IN PART FROM ANY ACT OR FAILURE TO ACT OF YOUR EQUIPMENT OR SOFTWARE, OR THAT OF AN INTERNET BROWSER PROVIDER, OR BY AN INTERNET ACCESS PROVIDER, BY AN ONLINE SERVICE PROVIDER OR BY AN AGENT OR SUBCONTRACTOR FOR ANY OF THEM, NOR WILL WE OR OUR SERVICE PROVIDERS OR OTHER AGENTS BE RESPONSIBLE FOR ANY DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL ECONOMIC OR OTHER DAMAGES ARISING IN ANY WAY OUT OF YOUR ACCESS TO OR USE OF, OR FAILURE TO OBTAIN ACCESS TO PERSONAL INTERNET BANKING OR MOBILE BANKING,

Secure Messages

We will respond to your Secure Message promptly after we receive it. Do not use Secure Message if you need to contact us immediately. Call us at 903-667-1349. We may use Secure Message to communicate occasional updates of new features, surveys and special offers from State Bank.

Fees

Personal Internet Banking is FREE to all State Bank Customers. Your Internet service provider may charge fees. Electronic transaction charges may apply. Please refer to your account agreement.

Changes to the Terms of the Agreement

State Bank may change this Agreement by electronically sending to you a Secure Message notice, mailing to you a notice or posting a notice of such change in a State Bank branch where you maintain your Account. However, if the change results in (1) increased or new fees or charges, (2) increased liability for you, (3) fewer types of available Internet Banking services, or (4) stricter limitations on the frequency or dollar amounts of transfers, then, unless the change must be made immediately for security reasons, at least 30 days before the effective date of the change State Bank will either electronically send you a Secure Message notice or mail a written notice to you.

Any notice to you will take effect when it is personally delivered to you or by Secure Message to you by Internet Banking or mailed to the last address we have for you in our records.

Other Rules

Internet Banking transactions are also subject to State Bank account agreements and rules, and your access and use of Internet Banking is also subject to these terms and conditions.

Termination

State Bank may cancel your Internet Banking access without prior notice if there has been no Internet Banking activity for a period of 3 consecutive months or for any other reason.

Assignment

We may assign our rights under this Agreement to a company affiliated with us or to any other party.

Applicable Law

This Agreement shall be governed by the laws of the State of Texas and applicable federal law and regulations.