

First State Bank

Online Banking Access Agreement rev 3.2021

Introduction

This Online Banking Access Agreement (“Agreement”) for accessing your accounts via First State Bank Online Banking Service explains the terms and conditions governing the Bank’s Online Banking, Bill Payment, e-Statements and Notices and other Digital Services offered through the Bank.

By using Digital Services, you agree to abide by the terms and conditions of this Agreement. You agree to receive this Agreement and Initial Disclosures in person, or electronically if enrolling online. Your accessing any of your eligible accounts through First State Bank Online Banking acknowledges your receipt and understanding of this disclosure.

Definitions

You or Your - refers to the accountholder and anyone authorized by the accountholder to exercise control over the Accounts through Digital Services.

We, Us or Our – refers to First State Bank (“the Bank”)

Business Day – our business days are Monday-Friday, excluding Federal holidays. You may use this Service 24 hours a day, seven days a week, except during periods of maintenance.

Business Day Cut-off – for posting purposes, the Bank will process all transactions completed by 4:00 p.m. on that business day. Transactions completed after 4:00 p.m., including transfers, will be processed on the following business day.

Security and Privacy

Multi-factor authentication, which includes Out of Band Authentication (OOBA), has been adopted to enhance Online Banking transactions. Please review the Security Statement on the Bank’s website for more information. By accessing Digital Services, you acknowledge the importance of your role in preventing misuse of your accounts and agree to promptly examine activity for each of your accounts. The Bank undertakes no obligation to monitor transactions through Digital Services to determine that they are made on your behalf.

The Bank understands how important privacy is to our customers. The Bank has taken steps to insure the security and privacy of your personal information and financial dealings with the Bank. Our customer privacy statement can be obtained by clicking on any Privacy Policy link throughout the Bank’s website.

Login Security

It is important that you take precautions to protect your Digital Services password(s) and account information and keep them confidential at all times. For your protection, the Bank recommends that password(s) be changed at least every 12 months. The Bank reserves the right to require a password change at any time, and as deemed necessary by the Bank. For your protection, it is recommended that you memorize your password(s) and not write them down. Any person having access to your Online Banking access ID and password will be able to access your account and perform all transactions, including reviewing account information and making transfers to other accounts that have mutual ownership. Passwords and Login IDs are case sensitive.

Passwords require 8-25 characters – alpha and numeric and special character required. For security reasons, the Bank recommends that you do not allow your Windows program to remember any password or Login information. For assistance with access to your accounts, contact the Digital Support Department at 940-665-1711.

Electronic Mail (E-mail)

You may use electronic mail (e-mail) through the Internet to ask general questions and to provide comments to the Bank. Do not use e-mail to send us sensitive information, such as debit card numbers, PIN numbers, passwords, Social Security numbers, Account Numbers or other important and confidential information.

The Bank will never ask for sensitive information from you via e-mail. If you ever receive a message that appears to be from the Bank with this type of request, please contact the Bank via phone (940-665-1711), secure message or in person. Do not use e-mail.

Online Banking

Online Banking is a service that allows you to see your account balances and transactions (both memo-posted and posted), transfer funds between accounts held at First State Bank, pay bills, submit a Stop Payment request, set up e-mail notifications or submit a Change of Address through secure message via a secured Internet connection. You may also print statements, receive images of checks and download account information to personal software programs. The Online Banking service is available to our personal account customers at no monthly charge. Bill Pay accounts inactive for more than 90 days are subject to being disabled. For business Bill Pay services and fees, please contact us at 940-665-1711.

Account Balances

Limitations apply to the information that you receive about your account(s). Please be aware that balances in your accounts may differ from your records due to deposits in progress, outstanding checks or other withdrawals, payments or charges.

Transfers Initiated through Online Banking

A transfer initiated through Online Banking before the end of the Bank's business day is posted to your account the same day. All transfers completed after the end of the Bank's business day or on a Saturday, Sunday or banking holiday will be posted on the next bank business day.

There are no fees for transferring funds between your accounts through the Bank's Online Banking Service. However, fees as described in the account statement or Schedule of Fees, may apply to products and services purchased through the Internet.

If you believe your access ID and password have been lost or stolen or that someone has transferred or may transfer money from your account without your permission, you can call us at 940-665-1711 with the details. Contacting us at once is the best way of keeping your possible losses down. Regulation E governs your account and use of this Online Banking product and the disclosures provided to you at account opening.

Bill Payments

Through First State Bank's Online Banking Service, you may subscribe to our optional Bill Payment service. Bill Payment allows you to schedule payments for current, future and recurring bills from your checking account. You must designate a specific account as your Bill Payment account.

We will not permit the use of Money Market or Savings account as a Bill Pay account, as we restrict the number of transactions allowed from these types of account. You are limited to six (6) preauthorized electronic funds transfers and telephone transfers, including the Bank's Online Banking transactions, checks and point-of-sale transactions per month.

By furnishing us with the names of your payees (merchants and/or individuals) and their addresses, you give us authorization to follow the payment instructions, which you provide to us via Internet for these payees. When we receive a payment instruction for the current date or a future date, we will remit the funds to the payee on your behalf from the funds in your selected account and on the day you have instructed them to be sent (Payment Date). We are not obligated to pay funds from your account(s) if the account balance is insufficient to cover the payment, unless your account has Overdraft Services in an amount sufficient to cover the payment. Electronic Payments are withdrawn on the date sent, but payments by check are not withdrawn until the check is actually presented for payment.

Any payments made with Bill Payment require sufficient time for your payee to credit your account properly. To avoid incurring a finance charge or other charge, you must schedule a payment sufficiently in advance of the due date of your payment. If you fail to schedule your payment accordingly to the recommended timeframe, the Bank will not be responsible for the late fees or finance charges.

Text Banking and Text Alerts

Text Banking includes receiving account information in response to a Text Command as well as scheduling regular Text Alerts through your online banking. In order to utilize Text Banking, you must have at least one First State Bank account. To apply for Text Banking, you must be the sole or joint owner of the bank account(s) for which Text Banking services apply and you must have full signing authority on the accounts. If there is any change of ownership of any such account(s), notification must be immediately provided to First State Bank.

It is your sole responsibility to ensure your device(s) are compatible with and capable of operating in a manner that allows you to utilize Text Banking securely, including, but not limited to, installing current software manufacturer provided patches and current anti-virus/anti-spyware software.

You agree to indemnify, defend and hold us harmless from and against any and all claims, losses, liability, cost and expenses (including reasonable attorneys' fees) arising from your provision of a phone number that is not your own or your violation of applicable federal, state or local law, regulation or ordinance. Your obligation under this paragraph shall survive termination of the Agreement. Text Banking is provided for your convenience and does not replace your monthly account statement(s), which are the official record of your accounts. This service may not be encrypted and may include personal or confidential information about you, such as your account activity or status. You agree to protect your communications device that receives information through this service and not to let any unauthorized person have access to the information we provide to you through this service. You have the sole responsibility for maintaining the safety, security and integrity of the Mobile Device you will use to send and receive SMS messages. You shall bear the entire risk for any use thereof, whether or not you have authorized such use and whether or not you are negligent. If you permit other persons to use the Mobile Device, you will be held responsible for any transactions they authorize and we will not be liable for any damages resulting to you. You agree not to use Text Banking or the content or information delivered through Text Banking in any way that would be considered illegal.

Receipt of account information through Text Banking may be delayed or impacted by factor(s) pertaining to your phone carrier or other parties. We will not be liable for losses or damages caused in whole or in part by your actions or omissions that result in any disclosure of account information to third parties. Also, nothing about Text Banking creates any new or different liability for us beyond what is already applicable under your existing account agreements.

There is no separate service fee for this service but you are responsible for any and all charges, including, but not limited to, fees otherwise applicable to your account(s) and fees associated with SMS messaging imposed by your communications service provider. Message and data rates may apply. Such charges may include those from your communications service provider. Message frequency depends on user preferences.

To cancel your plan, send STOP or SUSPEND to 833-372-2265 at any time or call 940-665-1711. For help with or information on Text Banking, call 940-665-1711. You will never receive a Text Banking message that asks you to send us any sensitive personal or financial information. If you ever receive such a request for sensitive personal or financial information - such as your Social Security Number, account number, password, PIN number, or any other personal data - do not respond to the message and call us at 940-665-1711 to report the incident.

Paperless Statements and Notices

Paperless statements and notices are only available to Online Banking customers. Sign up for e-statements and notices via Online Banking and receive an e-mail notification when your statement or notice is ready for pickup.

MOBILE BANKING

Mobile Banking is only offered to Online Banking customers via mobile web browser or applications (i.e., iPhone, iPad or Android).

What Can You Do With Mobile Banking?

- **Access your account information**

- **Deposit Checks**
- **Transfer funds between accounts**
- **Pay Bills**
- **Find our Locations**
- **View Check Images on Smartphones**

All terms and conditions applicable for Online Banking also apply to Mobile Banking, including this Agreement. In case of unauthorized access to your mobile device, you agree to cancel enrollment in Mobile Banking for that device immediately by contacting the Bank.

Linking and Displaying Eligible Accounts

If you enroll for the service, certain eligible accounts on which you are an owner or authorized signer may be linked and displayed. The linked and displayed eligible accounts through Online Banking may be subject to certain limitations and restrictions. Eligible accounts that are linked together will appear on your Account Summary page on Online Banking without regard to who else may have an ownership interest in each eligible account. Personal accounts may not be linked with business accounts.

If you are also authorized to enter into an Agreement for the Business Online Banking Service for another business, and if you want to link the accounts of the other business to the account covered by this Agreement, an additional signed form is required. Business accounts with the same authorized signers but different ownership/Tax ID numbers may be linked together at your own risk and are subject to Bank approval. The Bank discourages the practice and does not assume financial liability or privacy issues that result from linking unrelated Tax ID number accounts. The Bank reserves the right to discontinue this linkage without prior notice.

TERMS AND CONDITIONS

The first time you access your Account(s) through the Internet you confirm your agreement to be bound by all of the terms and conditions of this Agreement. Your actions also acknowledge your receipt and understanding of this Agreement.

A. EXCLUSION OF WARRANTIES; INDEMNIFICATION. YOU EXPRESSLY UNDERSTAND AND AGREE THAT YOUR USE OF THE DIGITAL SERVICES IS AT YOUR SOLE RISK. THE DIGITAL SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. THE BANK DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND RELATING TO THE ELECTRONIC BANKING SERVICES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NONINFRINGEMENT. YOU ACKNOWLEDGE THAT THE BANK HAS NOT MADE ANY REPRESENTATION OR WARRANTY THAT THE DIGITAL SERVICES WILL MEET YOUR REQUIREMENTS OR EXPECTATIONS OR THAT THE DIGITAL SERVICES WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR-FREE, AND THAT THERE IS NO REPRESENTATION OR WARRANTY THAT ANY ERRORS IN TECHNOLOGY WILL BE CORRECTED.

YOU AGREE TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE BANK, ITS OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR AUTHORIZED REPRESENTATIVES (OR ANY PARENT, SUBSIDIARY, AFFILIATE, OR THIRD PARTY SERVICE PROVIDER) FROM AND AGAINST ANY AND ALL THIRD-PARTY CLAIMS, LIABILITY, DAMAGES, EXPENSES AND COSTS (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY FEES) CAUSED BY OR ARISING FROM YOUR USE OF THE DIGITAL SERVICES (INCLUDING BY ANY OF YOUR CO-DEPOSITORS OR ANY OTHER PERSON WHOM YOU HAVE PERMITTED TO USE THE ELECTRONIC BANKING SERVICE), YOUR BREACH OF THIS AGREEMENT, YOUR INFRINGEMENT, MISUSE OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY OR OTHER RIGHT OF ANY PERSON OR ENTITY, AND/OR YOUR COMMISSION OF FRAUD OR ANY OTHER UNLAWFUL ACTIVITY OR CONDUCT.

B. THE BANK'S LIABILITY. EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT OR WHERE THE LAW REQUIRES A DIFFERENT STANDARD, YOU AGREE THAT THE BANK AND ITS SERVICE PROVIDERS SHALL NOT BE RESPONSIBLE FOR ANY LOSS, PROPERTY DAMAGE OR BODILY INJURY ARISING OUT OF YOUR USE OF THE ELECTRONIC BANKING SERVICES,

WHETHER CAUSED BY THE BANK, EQUIPMENT, SOFTWARE OR INTERNET ACCESS PROVIDERS OR ANY AGENT OR SUBCONTRACTOR OF ANY OF THE FOREGOING. THE BANK AND ITS SERVICE PROVIDERS SHALL NOT BE RESPONSIBLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY, ECONOMIC OR OTHER DAMAGES ARISING IN ANY WAY OUT OF THE INSTALLATION, USE OR MAINTENANCE OF THE DIGITAL SERVICES OR THE EQUIPMENT OR SOFTWARE USED BY THE BANK IN CONNECTION WITH OPERATION OF THE SERVICE, EQUIPMENT, OR SOFTWARE OR UNAUTHORIZED ACCESS TO OR ALTERATION OF YOUR TRANSMISSIONS OF DATA, STATEMENTS OR CONDUCT OF ANY OTHER PERSON USING OR ACCESSING THE ELECTRONIC BANKING SERVICES, ANY FAILURE OF PERFORMANCE, ERROR, OMISSION, INTERRUPTION, DEFECT, DELAY IN OPERATION OR TRANSMISSION, COMPUTER VIRUS OR LINE OR SYSTEM FAILURE, AND/OR ANY OTHER MATTER RELATING TO THE DIGITAL SERVICES OR YOUR USE THEREOF.

The Bank and its service providers will be deemed to have exercised all due care and to have acted reasonably if they act in accordance with the terms of this Agreement or any applicable Bank policies and procedures then in effect and will be liable for loss sustained by you only to the extent such loss is caused by gross negligence or willful misconduct. The Bank and its service providers will have no liability for any loss or damage:

- Related to the dishonesty of any employees, officers, agents or authorized users of customer;
- Resulting from any receiving financial institution's failure to accept any payment or funds transfer request;
- Resulting from any delay in the performance of this Agreement, which is caused by an act of God, fire or other casualty, electrical or computer failure, delays or failure to act by any carrier, medium or agent operating between the Bank and third parties, act of war, civil disorder, act of terrorism, or any other condition outside of the Bank's control.

In addition, unless Bank has acted with gross negligence or willful misconduct, Bank shall have no liability for any delay in the processing of a Payment Order, failure to process a Payment Order, or a faulty processing of a Payment Order, including any inaccuracy, interruption, delay in transmission, or failure in the means of transmission. Bank shall have no liability for any inaccuracy, interruption, delay in transmission, or failure in the means of transmission caused by strike, power failure, equipment malfunction, acts or omissions of any Intermediary Bank or recipient bank, acts of war, civil disorder, terrorism, or acts of God. The Bank does not have a duty to detect any errors and you are liable to pay any and all funds transfers requested under your Account (and all applicable fees, if any) despite any error.

Bank may seek advice of legal counsel with respect to its obligations under this Agreement, and shall not be liable to you for any actions taken in reliance upon such advice.

CHANGES TO FEES OR OTHER TERMS

Terms and conditions of this agreement may be amended in whole or part at any time within thirty (30) days written notification prior to the change taking effect. If you do not agree with the change(s), you must notify us in writing prior to the effective date to terminate you access. Amendments or changes to term(s) or condition(s) may be made without prior notice if they do not result in higher fees, use that is more restrictive or increased liability to you.

TERMINATION

You may terminate your use of Online Banking at any time by calling us as 940-665-1711, by visiting our bank, or writing to us at First State Bank, P O Box 10, Gainesville, TX 76241-0010. You must notify us within ten (10) days prior to the date you wish to have your service terminated. If you have a scheduled payment within this ten (10) day period, you are required to cancel those payments. You will be responsible for payments with transaction dates during the ten (10) days following our receipt of your written notice of termination if you do not cancel these payments.

VIRUS PROTECTION

First State Bank is not responsible for any electronic virus or viruses that you may encounter. We

encourage our customers to use a reliable virus product for detection and removal of any viruses.

DISCLAIMER AND INTELLECTUAL PROPERTY NOTICES

- The Bank endeavors to provide you with the highest quality Digital Services available. However, due to the unpredictable nature of the Internet, the Bank website may occasionally be inaccessible.
- Bill Payment is provided to you for your convenience. An independent third party handles the actual payment of such bills and the Bank will only be responsible for the Bank's own gross negligence or willful misconduct.
- Paperless statements and notices are provided for your convenience. E-doc statements, which may contain images, will be available through your Online Banking account for a minimum of 365 days.
- The Bank reminds you that the Internet inherently lacks security for commercial transactions and therefore the Bank cannot and does not guarantee that downloads from any Internet site used in connection with your accounts will not contain a virus or other destructive device. Your use affirms your knowledge that such information can be intercepted and/or viewed by unknown third parties.
- The Online Banking System is a trademark of MEA Financial Enterprises, LLC. Features and services availability are subject to change without notice.

GOVERNING LAW

This Agreement shall be governed by and interpreted in accordance with federal laws and regulations and the laws of the State of Texas.