

ONLINE BANKING, MOBILE BANKING & BILL PAYMENT AGREEMENT

The first time you access your accounts through Online Banking, you agree to be bound by the terms and conditions of this Online Banking Agreement ("Agreement") and acknowledge its receipt and your understanding of its terms.

Introduction

This Agreement explains the terms and conditions for accessing accounts and conducting transactions at Durand State Bank ("Institution", "we", "us" and "our") via our on-line Online Banking site(s) ("Online Banking"). As used in this Agreement, the terms "you" and "your" refer to each person signing an Online Banking Application.

Benefits of Online Banking and Mobile Banking

Through Online Banking or Mobile Banking, you can manage eligible accounts from your home or office on a personal computer or through your wireless device. Online Banking can be used to conduct any of the following "On-line Financial Services":

- Obtain balances and transaction histories on all eligible accounts enrolled in Online Banking (All account balances and transaction histories reflect activity through the close of the previous banking day);
- Transfer money between eligible accounts (The number of transfers you can make from an account is limited as described in the applicable account agreement. In addition, if a hold is placed on any funds deposited in an eligible account, you may not transfer the portion of funds being held until that hold expires); transfer money to pay Institution for overdraft protection, consumer loans, home equity loans, or certain other eligible loans; and pay bills to any merchant, financial institution or an individual with a U.S. address.
- Institution may, from time to time, introduce new On-line Financial Services. By using those services when they become available, you agree to be bound by the terms contained in this Agreement, and its subsequent amendments.

Additional Terms and Conditions Concerning Online Banking Access via Mobile Banking
The Mobile Banking services are provided to you by the Bank and powered by a third party (the "Licensor") mobile technology solution. This is the legal agreement between you and the Bank for the use of the Mobile Banking services. Section B of these terms and conditions is a legal agreement between you and the Licensor.

In case of questions please contact customer service at info@durandstatebank.com or call 1-815-248-2101.

Terms and Conditions

1. The fees associated with Mobile Banking services are separate and apart from any other charges that may be assessed by your wireless carrier for text messages sent to or received from Durand State Bank. You are responsible for any fees or other charges that your wireless carrier may charge for any related data or message services, including without limitation for short message service.
2. **No Rights Against Third Parties.** The services are provided by Durand State Bank and not by any other third party. You and Durand State Bank are solely responsible for the content transmitted through the text messages sent to and from Durand State Bank. You must

provide source indication in any messages you send (e.g., mobile telephone number, "From" field in text message, etc.)

3. **Use of Services.** Mobile Banking will not work unless you use it properly. You accept responsibility for making sure that you understand how to use Mobile Banking before using, and that you always use Mobile Banking in accordance with any online instructions that may be delivered to you. You also accept responsibility for making sure that you know how to properly use your mobile device and the Mobile App. From time to time Durand State Bank may change, upgrade, or add new features to Mobile Banking. In the event of such changes, you are responsible for making sure that you understand how to use the updated or changed version of the Mobile App. Durand State Bank will not be liable to you for any losses caused by your failure to properly use Mobile Banking or your mobile device.
4. **Relationship to Other Agreements.** You agree that when you use Mobile Banking, you will remain subject to the terms and conditions of all your existing agreements with the Bank. You also agree that you will continue to be subject to the terms and conditions of your existing agreements with any unaffiliated service providers, including, but not limited to, your mobile service carrier or provider (e.g., AT&T, Verizon, Sprint, T-Mobile, etc.), and that these terms and conditions do not amend or supersede any of those agreements. You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of Mobile Banking (for example, your mobile service carrier or provider may impose data usage or text message charges for your use of or interaction with Mobile Banking, including while downloading the Mobile App, receiving or sending Mobile Banking text messages, or other use of your mobile device when using the Mobile App or other products and services provided with Mobile Banking), and you agree to be solely responsible for all such fees, limitations and restrictions. You agree that only your mobile service carrier or provider is responsible for its products and services, and that your mobile service carrier is not the provider of Mobile Banking. Accordingly, you agree to resolve any problems with your carrier or provider directly with your carrier or provider without involving the Bank. You also agree that if you have any problems with Mobile Banking, you will contact the Bank directly.
5. **Mobile Remote Deposit Capture and Online Check Deposit (collectively Mobile Remote Deposit Capture).**

(a) **Description.** The mobile remote deposit capture services are designed to allow you to make deposits to your checking, savings, or money market savings accounts from home or other remote locations by scanning checks using your mobile phone, tablet, or other device and delivering the images and associated deposit information to Durand State Bank or its designated processor.

(b) **Limitations of Mobile Remote Deposit Capture.** When using mobile remote deposit capture, you may experience technical or other difficulties. Durand State Bank cannot assume responsibility for any technical or other difficulties or any resulting damages that you may incur. Durand State Bank reserves the right to change the qualifications at any time without prior notice. Durand State Bank reserves the right to change, suspend or discontinue mobile remote deposit capture, in whole or in part, or your use of mobile remote deposit capture, in whole or in part, immediately and at any time without prior notice to you. Durand State Bank reserves the right to impose limits on the amount(s) and/or number of deposits that you transmit using mobile remote deposit capture and to modify such limits from time to time.

(c) **Eligible Items.** You agree to scan and deposit only checks ("Eligible Items") as that term is defined in Regulation CC promulgated by the Board of Governors of the Federal Reserve System ("Reg CC"). You agree that the image of the check transmitted to Durand State Bank shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code. You agree that you will not use mobile remote deposit capture to scan and deposit any checks or other items as shown below:

- Checks or items payable to any person or entity other than you;
- Checks or items drawn or otherwise issued by you or any other person on any of your accounts or any account on which you are an authorized signer or joint account holder;
- Checks or items containing obvious alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn;
- Checks or items previously converted to a substitute check, as defined in Reg CC;
- Checks or items drawn on a financial institution located outside the United States;
- Checks or items that are remotely created checks, as defined in Reg CC;
- Checks or items not payable in United States currency;
- Checks or items dated more than 6 months prior to the date of deposit; or
- Checks or items prohibited by Durand State Bank's current procedures relating to mobile remote deposit capture or which are otherwise not acceptable under the terms of your Account Agreement.

(d) **Image Quality.** The image of an item transmitted to Durand State Bank using mobile remote deposit capture must be legible. The image quality of the items must comply with the requirements established from time to time by ANSI, the Board of Governors of the Federal Reserve System, or any other regulatory agency, clearing house or association.

(e) **Endorsements and Procedures.** You agree to restrictively endorse any item transmitted through mobile remote deposit capture as "For mobile deposit only at Durand State Bank" or as Durand State Bank may otherwise instruct you. You agree to follow any and all other procedures and instructions for use of mobile remote deposit capture as Durand State Bank may establish from time to time.

(f) **Receipt of Items.** Durand State Bank reserves the right to reject any item transmitted through mobile remote deposit capture, at Durand State Bank discretion. Durand State Bank is not responsible for items Durand State Bank does not receive or for images that are dropped during transmission. An image of an item shall be deemed received when you receive a confirmation from Durand State Bank that Durand State Bank have received the image. Receipt of such confirmation does not mean that the transmission was error free or complete.

(g) **Disposal of Transmitted Items.** Upon your receipt of a confirmation from Durand State Bank that Durand State Bank has received the image of an item, you agree to prominently mark the item as "Electronically Presented" to ensure that it is not represented for payment. You will need to properly shred and dispose of the item after a period of 30 days and, you agree never to represent the item. You will promptly provide any retained item, or a sufficient copy of the front and back of the item, to Durand State Bank as requested to aid in the clearing and collection process, to resolve claims by third parties with respect to any item, or for Durand State Bank audit purposes.

(h) **Returned Deposits.** If an Eligible Item deposited through Mobile Deposit is dishonored, rejected or otherwise returned unpaid for any reason including insufficient funds, then you will receive an image, reproduction or substitute of the Eligible Item and the Bank may set off the amount of the returned Eligible Item by debiting the account into which you deposited the returned Eligible Item or by transferring funds from another account held by you with the Bank. Notifications of delayed availability or return of the deposit may not be available to you through Mobile Deposit or the Application, and may be mailed or sent through other means deemed acceptable by the Bank. You will be responsible for reimbursing the Bank for all loss, cost, damage or expense related to the processing of the returned Eligible Item. You are prohibited from attempting to deposit or otherwise negotiate an Eligible Item through Mobile Deposit if it has been charged back to you. You are solely responsible for verifying the validity of an item returned as forged or counterfeit, and if you suspect that an item is forged or counterfeit then you must not

deposit that item using Mobile Deposit. The Bank is not responsible for detecting forged or counterfeit items that you deposit.

(i) **User Warranties and Indemnification.** You warrant to the Bank that:

- You will only transmit Eligible Items.
- Check images will meet the image quality standards set forth above.
- You will not transmit duplicate items.
- You will not deposit or represent the original item.
- All information you provide to the Bank is accurate and true.
- You will comply with these terms and conditions and all applicable rules, laws and regulations.
- You agree to indemnify and hold harmless the Bank from any loss for breach of these warranties.

Internet Banking Agreement & Disclosure

This Internet Banking Agreement and Disclosure ("the Agreement") explains the terms and conditions governing the basic internet banking services and bill pay services offered by Durand State Bank ("the Bank"). All internet banking services of any kind whatsoever offered or afforded by the Bank (including, but not limited to mobile banking, funds transfers, bill pay services, wire transfers, and ACH transactions) will be referred to collectively as "Internet Banking Services" in the Agreement. By using any of the Internet Banking Services, you agree to abide by the terms and conditions of this Agreement or is authorized to use any account at the Bank. The term "Business day" means all days except Saturday, Sunday and all banking holidays.

All Internet Banking Services are governed by this Agreement, all applicable federal regulatory disclosures and the Deposit Account Terms and Conditions. All applicable fee schedules published by the Bank from time to time will apply to the Internet Banking Services. You are responsible for the payment of any fees incurred by you on any account, for any service, at any time. You agree to pay all such fees upon request of the Bank. Further, you agree to pay all telephone charges or fees incurred by you in accessing Internet Banking Services.

Your initial use of any Internet Banking Services in connection with your account at the Bank constitutes your acceptance and agreement to be bound by all of the terms and conditions of this Agreement and of the Deposit Account Terms and Conditions. Such initial use acknowledges your receipt and understanding of this Agreement and Deposit Account Terms and Conditions.

You agree that the Bank may, as permitted by law, provide all applicable disclosures to you electronically. You are responsible for downloading or printing the disclosures or providing the Bank with a non-electronic address to which the disclosures may be mailed.

The Bank is entitled to act upon instructions received through any Internet Banking Service under your PIN and without inquiring into the identity of the person using that PIN. However, you agree that you will not, under any circumstances, disclose your PIN by telephone or any other means to any person. You acknowledge that no person from the Bank will ever ask for your PIN, that Bank employees do not need and should not ask for your PIN. You agree never to provide your PIN to anyone, including anyone claiming to represent the Bank. You are liable for all transactions made or authorized using of your PIN. The Bank has no responsibility for establishing the identity of any person or determining the validity of any transaction.

You agree that if you give your PIN to anyone or fail to safeguard its secrecy, you do so at your own risk since anyone with your PIN will have access to your accounts. You agree to notify the Bank immediately in the event your PIN is lost or stolen or is otherwise compromised. At any time, you may ask the Bank to disable your PIN.

For joint accounts, each person may have a separate PIN, or each may use a joint PIN. Each person on a joint account will be liable for all transactions that are made on that account. Each person on a joint account authorizes all transactions made by any other person on the account. Each person on a joint account agrees to be liable for the actions of the other person(s) on the account.

You hereby indemnify and release the Bank from any and all liability and agree not to make any claim against the Bank or bring any action against the Bank honoring or allowing any actions or transactions where you have authorized the person performing the action or transaction to use your account or when you have provided your PIN to that person. You agree to reimburse the Bank for any losses it suffers or any damages, injuries, costs or expenses it incurs (including attorney's fees) as a result of the Bank's honoring or allowing transactions on the account where the PIN was used.

The limitations of liability set forth in the Agreement are subject to, and limited by any state or federal law to the contrary.

The Bank has the right to modify or terminate this Agreement or the Deposit Account Terms and Conditions at any time. When making changes, the Bank will comply with all legal notice requirements. Once this Agreement is terminated, the Bank will not allow any additional transactions on the account, nor will additional Internet Banking Services be permitted. If this Agreement is modified, your continued use of the Account will represent your acceptance of the changes.

Security & Protecting Your Account

We are strongly committed to protecting the security and confidentiality of our customer accounts information. We use several techniques to help secure our Online Banking service, including the following:

- You can only access Institution with certain browsers that have a high security standard.
- Your account numbers are never displayed in full - only the last 4 digits can be viewed.
- You must have a valid Online Banking User ID and password to logon.
- If no action is taken for 10 minutes, you will be automatically logged off the Online Banking service.

Requirements

To access On-line Financial Services you must have Microsoft Internet Explorer 10, Apple Safari 7.0.6, Google Chrome 37, Mozilla Firefox 32, or a compatible web browser and 128 bit data encryption.

In addition to compatible software, you must have an Online Banking User ID, a password and maintain one or more of the following eligible deposit accounts at Institution:

- Personal Checking
- Personal Savings
- Personal Money Market
- Business Checking (Not eligible for Mobile Banking)
- Business Savings (Not eligible for Mobile Banking)
- Business Money Market (Not eligible for Mobile Banking)

Password

Your password will give you access to Institution accounts via Online Banking. Institution is entitled to act on any instructions it receives using your password. For security purposes, it is recommended that you memorize your password and do not write it down. We also recommend that you change your password regularly to try and avoid misappropriation by a third party. Your password can be changed at our Online Banking site. You are responsible for keeping your password and account data confidential. When you give someone your password, you are authorizing that person to use Online Banking and the On-line Financial Services. You are responsible for all transactions performed using your password, even if you did not intend or authorize them. In addition, fraudulent transactions initiated using your password will be charged against your account(s).

Accessibility

You can usually access On-line Financial Services seven (7) days a week, twenty-four (24) hours a day. However, at certain times, some or all of Online Banking or On-line Financial Services may not be available due to system maintenance or reasons beyond Institution's control. Institution does not warrant that Online Banking or On-line Financial Services will be available at all times. When unavailable, you may use an automated teller machine ("ATM") or call our call office to conduct your transactions. An On-line Financial Service transaction initiated prior to 3 PM (Central Time) on a banking day is posted to your account the same day. All transfers completed after 3 PM (Central Time), or on a non-banking day, will be posted the following banking day.

Fees and Charges

There is currently no charge for the use of the On-line Financial Services described in this Agreement

Restrictions

You may not appropriate any information or material that violates any copyright, trademark or other proprietary or intellectual property rights of any person or entity while using the Online Banking or On-line Financial Services. You may not gain, or attempt to gain, access to any Online Banking and/or On-line Financial Service server, network or data not specifically permitted to you by Institution or its suppliers, and you must not include any obscene, libelous, scandalous or defamatory content in any communications with Institution or its suppliers.

Accessing the Service

When you complete your internet banking enrollment form, you will be given an opportunity to request a Subscriber I.D. and Password. You will use the User ID and password to access both the Internet Banking product and the Bill Pay product and Mobile Banking.

Each time you access the Service, you will be asked to enter your User ID and Password. The correct responses will give you access to the Service.

Bill Payment Service

This is your bill paying agreement with Durand State Bank. You may use Durand State Bank's bill paying service, Bill Pay, to direct Durand State Bank to make payments from your designated checking (account) to the Merchants you choose in accordance with this agreement. The terms and conditions of this Agreement are in addition to the Account agreements, disclosures and other documents in effect from time to time governing your Account (the Account Rules).

"You" or "your" means each person who signs the bill paying enrollment form or is otherwise authorized to use the Service. "Merchant" means anyone, including Durand State Bank, you designate and Durand State Bank accepts as a payee.

HOW TO SET UP MERCHANTS/PAYMENTS

When you sign onto the bill pay system you will establish your list of Merchants by selecting the Add button on the Set-up Accounts and Payee screen. You may add a new fixed payment for any Merchant but only if they are on your authorized list of payees. If the Merchant is not set up for electronic payments, the service will generate a paper check for payment. The check will carry your account number and will clear directly through your account. A unique check number will appear on your statement for easy recognition. Durand State Bank reserves the right to refuse the designation of a Merchant for any reason. Durand State Bank is not responsible if a Bill Payment can not be made due to incomplete, incorrect, or outdated information provided by you regarding a Merchant or if you attempt to pay a Merchant that is not on your Authorized Payee list.

THE BILL PAYING PROCESS

Durand State Bank will process variable payments on the business day (generally Monday through Friday, except holidays) you designate the bill is to be processed, provided the payment request is received prior to the cut-off time set by Durand State Bank, which is currently 3:00 p.m. CST. Variable bill requests received after the business day cut off time, or at any time on a non-business day will be processed on the next business day. Durand State Bank reserves its right to change the cut-off time by giving you notice if it changes.

FOR RECURRING PAYMENT REQUESTS, IF YOU DESIGNATE A PROCESSING DATE OF THE 28TH THROUGH THE 31ST OF A MONTH, YOU MUST SELECT THE OPTION OF "LAST BUSINESS DAY" FOR PROCESSING TO BE ALWAYS BE INITIATED ON THE LAST CALENDAR DAY OF THE MONTH. Otherwise, recurring payment requests will be processed on the dates you have designated, unless such date falls on a non-business day resulting in your payment being processed on the next business day.

YOU MUST ALLOW AT LEAST FIVE (5) BUSINESS DAYS, PRIOR TO THE DUE DATE, FOR EACH BILL PAYMENT (RECURRING OR VARIABLE) TO REACH THE MERCHANT. (IT IS THE RESPONSIBILITY OF THE SUBSCRIBER TO SCHEDULE/ACTIVATE RECURRING PAYMENTS) Due to circumstances beyond our control, some Merchants take longer to post payments than others. We suggest sending your first payment eight (8) business days in advance of the Due Date. After your first payment has posted you will have a better understanding of how much time to allow for each Merchant.

You must select a Payment Date that is at least five (5) business days before the actual Due Date reflected on your Payee statement. If your actual Due Date falls on a non-business day you must select a Payment Date that is at least one business day before the actual Due Date. Payment Dates should be prior to any late date or grace period.

When you have scheduled a payment, you authorize Durand State Bank to debit your Payment Account and remit funds on your behalf. You certify that your Payment Account is an account from which you are authorized to make payments and any payment you make will be debited from this account. You also authorize the credit of returned payments from using the Bill Pay Service.

The Bill Pay Service will incur no liability and a Service Guarantee shall be void if the Bill Pay Service is unable to complete any payments initiated because of any of the following:

1. You have not provided the Bill Pay Service with the correct payment account information, or the correct name, address, phone number, or account information for the Merchant upon initiation of the payment; and/or,
2. Circumstances that are beyond the control of the Bill Pay Service (such as, but not limited to, fire, flood, or interference from an outside force) prevent the proper execution of the transaction and the Bill Pay Service has taken reasonable precautions to avoid those circumstances;
3. The payment-processing center is not working properly and you know or have been advised by the Bill Pay Service about the malfunction before you execute the transaction;

You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all Bill Payments requested, as well as, any other payment obligations you have to Durand State Bank. Durand State Bank reserves the right, without liability, to reject or reverse a Bill Payment if you fail to comply with this requirement or any other terms of this agreement. If you do not have sufficient funds in the Account and Durand State Bank has not exercised its right to reverse or reject a Bill Payment, you agree to pay for such payment obligations on demand. You further agree Durand State Bank, at its option, may charge any of your accounts with Durand State Bank to cover such payment obligations.

The Bill Pay Service reserves the right to select the method in which to remit funds on your behalf to your Merchant.

Any Bill Payment can be changed or canceled, provided you access the Service prior to the cut-off time on the business day prior to the business day the Bill Payment is going to be initiated.

RETURNED PAYMENTS

In using the Service, you understand that the Service and/or the United States Postal Service may return payments for various reasons, such as, but not limited to, the Service account number is not valid; the Service is unable to locate account; or Payee account is paid in full. The Service will use its best efforts to research and correct the returned payment, or void the payment and credit your Payment Account. You may receive notification from the Service.

LIABILITY

You are solely responsible for controlling the safekeeping of, and access to, your password. You are liable for all transactions you make or that you authorize another person to make even if that person exceeds his or her authority. If you want to terminate another person's authority, you must notify Durand State Bank and arrange to change your password. You will be responsible for any Bill Payment request you make that contains an error or is a duplicate of another Bill Payment. Durand State Bank is not responsible for a Bill Payment that is not made if you did not properly follow the instructions for making a Bill Payment. Durand State Bank is not liable for any failure to make a Bill Payment if you fail to promptly notify Durand State Bank after you learn that you have not received credit from a Merchant for a Bill

Payment. Durand State Bank is not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be Durand State Bank's agent. In any event, Durand State Bank 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 Durand State Bank has knowledge of the possibility of them. Durand State Bank is not liable for any act, failure to act or delay in acting if it is caused, in whole or in part, by any cause beyond Durand State Bank's reasonable control.

AMENDMENT AND TERMINATION

Durand State Bank has the right to change this Agreement at any time by notice mailed to you at the last address shown for the Account on Durand State Bank's records, by posting notice in branches of Durand State Bank, or as otherwise permitted by law.

Durand State Bank has the right to terminate this Agreement at any time. You may terminate this Agreement by written notice to Durand State Bank. Durand State Bank is not responsible for any fixed payment made before Durand State Bank has a reasonable opportunity to act on your termination notice. You remain obligated for any payments made by Durand State Bank on your behalf.

FEES

The fee for the Bill Paying Service is \$0.00 per month, for an unlimited number of monthly payments.

Fees and Charges associated with your Durand State Bank Accounts were disclosed to you at the time the accounts were opened. In addition, a new disclosure is mailed to you annually. Please refer to that disclosure for details about Fees and Charges.

Some Bill payments are processed by Electronic Fund Transfers (EFT). Please see the Electronic Fund Transfers Disclosure Statement included, or, received when you opened your account, which discloses important information concerning your rights and obligations.

Responsibility

Neither Institution nor its suppliers will be liable for any transaction if: (i) you do not have enough money in your account to complete the transaction; (ii) a legal order prohibit withdrawals from your account; (iii) your account is closed or has been frozen; (iv) the transaction would cause your balance to go over the credit limit for any credit arrangement set up to cover overdrafts; (v) you, or anyone you allow, commits fraud or violates any law or regulation in connection with Online Banking or On-line Financial Services; (vi) any electronic terminal, telecommunication device or part of the electronic fund transfer system is not working properly; (vii) you did not provide us with complete and correct payment or transfer information; (viii) you did not properly follow the instructions for use of Online Banking or On-line Financial Services; (ix) you knew that Online Banking and/or the On-line Financial Services were not operating properly at the time you initiated the transaction or payment; (x) there is postal delay; or (xi) circumstances beyond our control (such as fire, flood or improper transmission or handling by a third party) that prevent, hinder or delay the transaction.

Unauthorized Transactions

You should notify us immediately if you believe anyone has improperly obtained your password or if you suspect any fraudulent activity in your account(s). If your password has been compromised and you tell us within two (2) business days of discovering the loss or misappropriation, you can lose no more than

\$50. If you do not tell us within the two (2) business day period, you could lose as much as \$500 if we could have stopped the use of your accounts had we received notice in a timely manner. You should contact us, or the bill payment provider, as applicable, as soon as you identify any errors or discrepancies in your statement or transaction record, or if you need any information about a transaction listed on the statement or transaction record. We must hear from you no later than sixty (60) days after we have sent the first statement on which the problem or error appeared (If you notify us verbally, we may require that you send us your complaint or question in writing or electronically within ten (10) business days). If you fail to notify us within the sixty (60) day period, you may not recover any of the money you lost if we can establish that the loss could have been avoided had you notified us on time. We may extend these time periods for good reasons such as out-of-town travel or extended hospital stays.

When you report a problem or discrepancy, please: (i) tell us your name and account number; (ii) describe the error or the transaction you are unsure about, and explain why you believe it is in error or what additional information you need; (iii) tell us the dollar amount of any suspected error; and (iv) for a bill payment, tell us the number of the account used to pay the bill, the applicable payee name and account number, the date the payment was sent, the payment amount and the payment reference number. Generally speaking, we will tell you the results of our investigation within ten (10) business days, or twenty (20) business days in the case of point of sale or international transactions, after we hear from you. However, we may take up to forty-five (45) days, or ninety (90) days in the case of point of sale or international transactions, to investigate your complaint or question. In this case, we may provisionally credit your account so that you have use of the money during the time it takes us to complete our investigation. If you fail to provide your complaint or question in writing within ten (10) business days of a request from us to do so, we reserve the right to not credit your account. If we confirm an error, we will correct your account record within ten (10) business days, or twenty (20) business days in the case of point of sale or international transaction. If we determine that there was no error, we will send you a written explanation within three (3) business days after we conclude our investigation and will debit any interim amounts credited to your account. You may request copies of any documents that we use in our investigation.

Electronic Mail (E-mail)

Sending E-mail is a very good way to communicate with Durand State Bank about your accounts or the On-line Financial Services. However, your e-mail is actually sent via your own software and, as a result, is not secure. Because of this, you should not include confidential information, such as account numbers and balances in any e-mail to Institution. Your On-Line Financial Service does include a secure messaging feature that you can use for this purpose. You cannot use e-mail to initiate On-line Financial Service transactions. All such transactions must be initiated using the appropriate functions within the Online Banking site. Institution will not be liable for any errors, omissions, claims, or problems of any kind involving your e-mail.

Disclosure of Information

Information submitted to Institution or its suppliers is the property of those parties, and they are free to use and disclose that information, or any ideas, concepts, know-how or techniques contained in that information to any third party for any purpose whatsoever, except as specifically agreed by Institution or prohibited by law.

Links to other Sites

Information that Institution publishes on the World Wide Web may contain links to other sites and third parties may establish links to Institution's site. Institution makes no representations about any other web site that you may access to, from or through this site. Unless expressly stated in writing, Institution does not endorse the products or services offered by any company or person linked to this site nor is Institution

responsible for any software or the content of any information published on the site of any third party. You should take precautions when downloading files from sites to protect your computer software and data from viruses and other destructive programs.

Virus Protection

Institution is not responsible for any electronic virus that you may encounter using the On-line Fund Services. We encourage you to routinely scan your computer and diskettes using reliable virus protection product to detect and remove viruses. If undetected and unrepaired, a virus can corrupt and destroy your programs, files and hardware.

Damages and Warranties

In addition to the terms previously disclosed, Institution is not responsible for any losses, errors, injuries, expenses, claims, attorney's fees, interest or other damages, whether direct, indirect, special, punitive, incidental or consequential, (collectively, "Losses") caused by Online Banking or the use of the On-line Financial Services or in any way arising out of the installation, use or maintenance of your personal computer hardware or software, including any software provided by Institution or one of its suppliers. In addition, Institution disclaims any responsibility for any electronic virus (es) Customer may encounter after installation of such software or use of Online Banking or the On-line Financial Services. Without limiting the foregoing, neither Institution nor its suppliers shall be liable for any: (i) failure to perform or any Losses arising out of an event or condition beyond their reasonable control, including but not limited to communications breakdown or interruption, acts of God or labor disputes; or (ii) the loss, confidentiality or security of any data while in transit via the Internet, communication lines, postal system or ACH network. Institution and its suppliers provide Online Banking and the On-line Financial Services from their own sites and they make no representation or warranty that any information, material or functions included in Online Banking or the On-line Financial Services are appropriate for use by you in your jurisdiction. If you choose to use Online Banking and/or the On-line Financial Services, you do so on your own initiative and are solely responsible for compliance with applicable local laws and regulations. Neither Institution nor its suppliers warrant the adequacy, accuracy or completeness of any information provided as a part of Online Banking, the On-line Financial Services, or contained in any third party sites linked to or from Institution's web site. INSTITUTION MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY, FUNCTIONALITY OR PERFORMANCE OF ONLINE BANKING, ON-LINE FINANCIAL SERVICES, OR ANY SOFTWARE THAT MAY BE USED IN CONNECTION WITH SAME. INSTITUTION DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ERROR-FREE OPERATION.

Indemnification

Customer shall indemnify, defend and hold harmless Institution and its officers, employees, directors, suppliers and agents, in their individual capacities or otherwise, from and against any Losses arising out of: (i) Customer's negligence; (ii) Customer's failure to comply with applicable law; or (iii) Customer's failure to comply with the terms of this Agreement.

Additional Remedies

Due to the likelihood of irreparable injury, Institution shall be entitled to an injunction prohibiting any breach of this Agreement by Customer.

Termination and Changes in Terms

Institution reserves the right to terminate this Agreement or to change the charges, fees or other terms described in this Agreement at any time. When changes are made, we will notify you by: 1) electronic mail; 2) physical mail at the address shown in our records; and/or 3) update of our web site.

Applicable Rules, Laws, and Regulations

You submit to the jurisdiction of, and this Agreement shall be governed by the laws of the State of Illinois, U.S.A., as well as the federal laws of the U.S.A. Venue for any action arising out of this Agreement shall be in a state court of competent jurisdiction covering Illinois, U.S.A. The prevailing party in any such action shall be entitled to the recovery of its reasonable attorney's fees, costs, and expenses.

Regulation E

Periodic statements. For an account to or from which electronic fund transfers can be made, a financial institution shall send a periodic statement for each monthly cycle in which an electronic fund transfer has occurred; and shall send a periodic statement at least quarterly if no transfer has occurred.

Receipts at electronic terminals--General. A financial institution shall make a receipt available to a consumer at the time the consumer initiates an electronic fund transfer at an electronic terminal. The receipt shall set forth the following information, as applicable

Preauthorized transfers to consumer's account. (1) Notice by financial institution. When a person initiates preauthorized electronic fund transfers to a consumer's account at least once every 60 days, the account-holding financial institution shall provide notice to the consumer.

Assignment

Institution may assign its rights and/or delegate all or a portion of its duties under this Agreement to a third party.

Integration

This Agreement constitutes the entire understanding of the parties with respect to the subject matter of this Agreement, and all prior agreements, understandings and representations concerning such subject matter are canceled in their entirety. Notwithstanding the foregoing, this Agreement is in addition to any other agreements between you and Institution.

Severability

If there is a conflict between the terms and conditions of this Agreement and one or more terms contained in another agreement between you and the Institution, this Agreement will control.

Waiver

Institution shall not, by the mere lapse of time, without giving notice or taking other action, be deemed to have waived any of its rights under this Agreement. No waiver by Institution of a breach of this Agreement shall constitute a waiver of any prior or subsequent breach of this Agreement.

Force Majeure

Neither party shall be liable for any loss nor damage due to causes beyond its control, including fire, explosion, lightning, pest damage, power surges or failures, strikes or labor disputes, water, acts of God, the elements, war, civil disturbances, acts of civil or military authorities or the public enemy, inability to secure raw materials, transportation facilities, fuel or energy shortages, acts or omissions of communications carriers, or other causes beyond that party's control. Either party may terminate this Agreement immediately on written notice if the other party is prevented from performing its obligations under this Agreement for a period of more than thirty (30) days due to the reasons set forth in this subsection.

Construction

This Agreement shall be construed equally against the parties regardless of who is more responsible for its preparation. If there is a conflict between a part of this Agreement and any present or future law, the part of this Agreement that is affected shall be curtailed only to the extent necessary to bring it within the requirements of that law.

Durand State Bank

1005 Cameron Dr., PO Box 537

Durand, IL 61024

815-248-2101