

ONLINE BANKING (INTERNET) AGREEMENT

1. The Service.

In consideration of the Online Banking and Bill Payment services ("Services") to be provided by Iowa State Bank and Trust Company, as described from time to time in information distributed by Iowa State Bank to its customers, the parties hereto agree as follows. In this agreement, "Customer" refers to the person(s) subscribing to or using the Service. The Customer agrees as follows: You may use a Personal Computer ("PC") through an Internet connection to obtain account balances and transaction information. You may also use your PC to obtain statements on your accounts and to transfer money between your accounts. Transfers from your savings are considered preauthorized and are limited to two (2) per monthly statement cycle by federal regulations. A fee is imposed for each debit transaction after two during a statement cycle. Transfers from Hifi Market accounts are also considered preauthorized and are limited to six (6) per monthly statement cycle by federal regulations. A fee is imposed for each debit transaction thereafter in a statement cycle.

PLEASE READ THIS AGREEMENT CAREFULLY AND KEEP A COPY FOR YOUR RECORDS.

2. Your User Code and PIN.

Each individual who has access to Iowa State Bank's Online Banking, including each individual named on joint accounts, must designate a Personal Identification Number ("PIN") and a user code. Your PIN must be a minimum of 8 characters, up to a maximum of 17 characters, which must consist of at least two (2) numeric characters, plus 2 alpha characters (all lower case). For example, your PIN may be: 12signup. You will be required to change your PIN every six (6) months to enhance security.

3. Statements.

By subscribing to Iowa State Bank's Online Banking Service, you are agreeing to receive your monthly account statement electronically. You will not receive a printed monthly statement by regular mail. All payments, transfers, and/or fees on your account will appear on your monthly electronic statement. Additionally, the Payee name, payment amount and date of the payment will be shown on your electronic statement for each payment made through the Service during that month. You agree that it is your responsibility to keep the bank informed of your email address so that you can be informed by e-mail concerning access to your electronic statement. You agree to immediately inform the bank of any change in your e-mail address. By subscribing to Iowa State Bank's Online Banking Service, you understand and agree that you will not receive copies of canceled checks. You acknowledge and agree that by not receiving copies of your checks you may have difficulty discovering ongoing unauthorized uses of your account. The bank maintains copies of your checks and you may request copies as needed. You agree, however, to hold the bank harmless and release it from any liability associated with unauthorized uses of your account and hereby acknowledge and agree that the sending of monthly electronic statements by the bank and your right to obtain copies of canceled checks from the bank provides you with reasonable protection from unauthorized uses of your account and the ability to reasonably discover such unauthorized uses. In the event you want to receive regular printed copies of your monthly account statements and check images by regular mail, you may do so by requesting such in writing to the bank. Such request shall be in writing and shall inform the bank of the address to which the statements and check images should be directed. The bank will deduct a service fee each month depending on what account you choose for providing printed monthly statements and check images.

4. Equipment.

You are solely responsible for the equipment (including, in the case of Online Banking, your personal computer and software) you use to access the Services. We are not responsible for errors or delays or your inability to access the Services caused by your equipment. We are not responsible for the cost of upgrading your equipment

to stay current with the Services nor are we responsible, under any circumstances, for any damage to your equipment or the data resident thereon. You must use an Internet browser that supports 128-bit encryption. You must use Adobe Reader 5.0 or greater to access your statements. Acrobat Reader is available for free at www.adobe.com

5. Business Days/Hours of Operation.

Our business hours are 9 a.m. to 4 p.m. (CST), Monday through Friday, 9 a.m. to 12:00 p.m. Saturday with the exception of bank holidays. Payments and transfers can be completed only on business days, but the Service is available 24 hours a day, seven days a week, except during maintenance periods, for the scheduling of payment orders and transfers.

6. Notice of Your Rights and Liabilities.

Security of your transactions is important to us. Use of the Services may therefore require a PIN or password. If you lose or forget your PIN or password, please call 641-472-3161 during normal business hours listed above or 641-472-3161, Extension 215 and leave a voice mail message. We may accept as authentic any instructions given to us through the use of your password or PIN. You agree to keep your PIN and password secret and to notify us immediately if your PIN or password is lost or stolen or if you believe someone else has discovered your PIN or password. You agree that if you give your PIN or password to someone else, you are authorizing them to act on your behalf, and we may accept any instructions they give us to make transfers or otherwise use the Services. Online Banking Services enables you to change your password; we require that you do so regularly. We may be liable for certain security breaches to the extent required by applicable law and regulations. We do not assume any other liability or otherwise guarantee the security of information in transit to or from our facilities. Please note that we reserve the right to (1) monitor and/or record all communications and activity related to the Services; and (2) require verification of all requested transfers in the manner we deem appropriate before making the transfer (which may include written verification by you). You agree that our records will be final and conclusive as to all questions concerning whether or not your PIN or password was used in connection with a particular transaction. If any unauthorized use of your PIN or password occurs you agree to (1) cooperate with us and appropriate law enforcement authorities in identifying and prosecuting the perpetrator; and (2) provide reasonable assistance requested by us in recovering any unauthorized transfer of funds. Tell us **AT ONCE** if you believe your PIN or password has been lost or stolen. 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 two (2) business days, you can lose no more than \$50 if someone used your card and/or code without your permission. (If you believe your card and/or code has been lost or stolen, and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card and/or code without your permission). If you do NOT tell us within two (2) business days after you learn of the loss or theft of your PIN or password, and we can prove we could have stopped someone from using your PIN or password 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, tell us at once. If you do not tell us within sixty (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 prevented someone from taking the money if you had told us in time. Additional Limits on Liability for Check Card, when used for point-of-sale transactions. You will not be liable for any unauthorized transactions using your Check Card, when used for point-of-sale transactions, if:

- i. can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft,
- ii. you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period, and
- iii. account is in good standing.

If any of these conditions are not met, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. If you believe your PIN or password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call 641-472-3161 during normal business hours listed above. **WE CANNOT ACCEPT NOTIFICATION OF LOST OR STOLEN PINS OR PASSWORDS OR UNAUTHORIZED TRANSFERS VIA E-MAIL.**

7. Error and Questions.

Questions should be addressed by calling Customer Service at 888-625-7404.

In case of errors or questions about your account, telephone us at 641-472-3161, 9 a.m. to 4 p.m. Monday through Friday or 9 a.m. to 12 p.m. on Saturday, or contact us at:

Iowa State Bank and Trust Company

P. O. Box 1010

Fairfield, IA 52556

As soon as you can, if you think your statement or receipt is wrong or if you need more information about a transaction listed on a statement or receipt. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared. You will need to:

- a. tell us your name and account number (if any).
- b. describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- c. tell us the dollar amount of the suspected error.

If you tell us orally, we may require you to send us your complaint or question in writing within ten (10) business days following the date you notified us. We will determine whether an error occurred within ten (10) business days (twenty (20) business days if the notice of error involves an electronic fund transfer to or from the account within thirty (30) days after the first deposit to the account was made) 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 (90 days if the notice of error involved a new account, point-of-sale transaction, or foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (twenty (20) business days if the transfer involves an electronic fund transfer to or from the account within thirty (30) days after the first deposit to the account was made) for the amount you think is in error, so that you will have 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 we determine there was no error, we will reverse the previously credited amount, if any, and we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

8. Disclosure of Account Information to Third Parties.

We may disclose information to third parties about your account or the transactions you make:

- a. where it is necessary for completing transactions or resolving errors involving the Services.
- b. in order to verify the existence and condition of your account for a third party, such as a credit bureau.
- c. in order to comply with government agency rules, court orders, or other applicable law.
- d. to our employees, service providers, auditors, collection agents, affiliated companies, or attorneys in the course of their duties and to the extent allowed by law.
- e. if you give us your permission.

For a detailed disclosure, please see our privacy policy.

9. Authorization to Obtain Information.

You agree that we may obtain and review your credit report from a credit bureau or similar entity. You also agree that we may obtain information regarding your Payee Accounts in order to facilitate proper handling and crediting of your payments.

10. Termination.

If you want to terminate your access to the Iowa State Bank Online Banking, call us at 641-472-3161. After receipt of your call, we will send a written termination authorization for your signature and return to us. In order to avoid imposition of the next monthly fee, we must receive your written authorization to terminate three (3) days before your service charge is scheduled to assess. **RECURRING TRANSFERS WILL NOT NECESSARILY BE DISCONTINUED BECAUSE YOU TERMINATE ACCESS TO THE SERVICES. IF YOU WANT TO MAKE SURE THAT RECURRING TRANSFERS BETWEEN ACCOUNTS ARE STOPPED, YOU MUST FOLLOW THE PROCEDURES IN THE CANCELING PAYMENTS PARAGRAPH ABOVE.** We reserve the right to terminate the Iowa State Bank Online Banking, in whole or in part, at any time with or without cause and without prior written notice. In that event, or in the event that you give us a termination notice, we may (but are not obligated to) immediately discontinue making previously authorized transfers, including recurring transfers and other transfers that were previously authorized but not yet made. We also reserve the right to temporarily suspend the Services in situations deemed appropriate by us, in our sole and absolute discretion, including when we believe a breach of system security has occurred or is being attempted. We may consider repeated incorrect attempts to enter your PIN or password as an indication of an attempted security breach. Termination of the Services does not affect your obligations under this Agreement with respect to occurrences before termination.

11. Limitation of Liability.

Except as otherwise provided in this Agreement or by law, we are not responsible for any loss, injury, or damage, whether direct, indirect, special or consequential, caused by the Iowa State Bank's Service or the use thereof or arising in any way out of the installation, operation, or maintenance of your PC equipment.

12. Waivers.

No waiver of the terms of this Agreement will be effective, unless in writing and signed by an authorized officer of the Iowa State Bank.

13. Assignment.

You may not transfer or assign your rights or duties under this Agreement.

14. Governing Law.

The laws of the state of Iowa shall govern this Agreement and all transactions hereunder. Venue for any disputes hereunder shall be Jefferson County, Iowa. Customer acknowledges that he/she has reviewed this Customer Agreement, understands the terms and conditions set forth herein, and agrees to be bound hereby.

15. Amendments.

We can change a term or condition of this Agreement by mailing or delivering to you a written notice at least thirty (30) days before the effective date of any such change. We do not need to provide you with any prior notice where an immediate change in the terms or conditions of this Agreement is necessary to maintain or restore the security of our system or an account. However, even in these cases, if the change is to be made permanent, we will provide you with a notice of change with the next regularly scheduled periodic statement we send you, or within thirty (30) days, unless disclosure would jeopardize the security of our system or an account. Notices mailed or delivered to you under this paragraph will be considered effective if mailed to the most recent address we show for you in either our checking or savings account records, or e-mail address in which you authorized to receive such notices and/or disclosures.

16. Indemnification.

Customer, in consideration of being allowed access to the Iowa State Bank's Services, agrees to indemnify and hold the Iowa State Bank harmless for any losses or damages to the Iowa State Bank resulting from the use of the Services, to the extent allowed by applicable law.

17. Security Procedures.

By accessing the Services, you hereby acknowledge that you will be entering a protected web site owned by the Iowa State Bank, which may be used only for authorized purposes. The Iowa State Bank may monitor and audit usage of the system, and all persons are hereby notified that use of the Services constitutes consent to such monitoring and auditing. Unauthorized attempts to up-load information and/or change information on these web sites are strictly prohibited and are subject to prosecution under the Computer Fraud and Abuse Act of 1986.

I/We understand that I/we are the only individual(s) authorized to use Internet Banking and that use of the Internet Banking signifies agreement to the terms and conditions set forth in this Online Banking Internet Agreement which will be furnished to me/us.

I/We are owners of the following account(s) numbers to be included in the list of accounts to be viewed through Online Banking.

Signature(s) – The undersigned agree(s) to the terms stated in this Agreement and acknowledge(s) receipt of a completed copy on today's date.
