

PERSONAL ONLINE BANKING AGREEMENT AND DISCLOSURE STATEMENT

This Agreement states the terms and conditions that apply when you use Mazon State Bank's (herein referred to as "Bank", "we" or "us") Personal Online E-Banking service. By enrolling in Personal Online E-Banking, you agree to these terms and conditions, which are in addition to those those apply to any accounts you have with us or any other services you obtain from us.

"You", "Your", and "Customer" mean each person who establishes a Personal Online E-Banking Account with us or who uses or is authorized to use an Online E-Banking User Name ("ID") and "Password" or other means of access we establish or approve. The term "Personal Online E-Banking" means our Personal Online Banking and Bill Payment services that you access over the Internet by use of personal computer and modem or other device and/or other means we authorize or allow. Personal Online E-Banking allows you to transfer funds, access accounts, obtain information, and perform other transactions. Bill Payment is a feature of Personal Online E-Banking in which you will be automatically enrolled. It allows you to initiate a payment from your designated Bank checking, NOW, or savings account to payees that you authorize in advance.

(A) PERSONAL ONLINE BANKING ID AND PASSWORD

To access our Personal Online Banking service, you must use the ID and/or other means of access we establish or provide for your Personal Online Banking Customer Account together with a Password. To obtain these, you will need to complete a Personal Online E-Banking Application. Applications are available online or at any of our branches.

It is your responsibility to safeguard the ID and Password we provide. These codes are designed to protect the privacy of your financial information, but they will only work if you keep them confidential. You share them at your own risk. Anyone to whom you give your Personal Online E-Banking ID and Password or other means of access will have FULL access to your accounts even if you attempt to limit that person's authority.

MAZON STATE BANK will not contact you to ask for your user ID or Password. If you are approached by anyone to provide your user ID and Password, **DO NOT PROVIDE THIS INFORMATION**. Contact the Bank immediately, as you could be the victim of attempted fraud or identity theft. You will find contact information in section below.

(B) PERSONAL ONLINE E-BANKING ACCOUNT OWNER INFORMATION

You must be the owner of this account(s) and you must have signature authority to be able to authorize the Bank to establish Personal Online E-Banking and Bill Payment.

(C) PERSONAL ONLINE BANKING TRANSACTIONS

You, or someone you have authorized by giving them your Personal Online E-Banking ID and Password or other means of access (even if that person exceeds your authority), can instruct us to perform the following transactions:

- Make transfers between your qualifying accounts to the extent authorized;
- Obtain information, such as daily or historical account balance information, that we make available about your qualifying accounts;
- Obtain other services or perform other transactions that we authorize.

(D) BILL PAYMENT SERVICES

With Bill Payment, you can arrange for the payment of your current, future, and recurring bills from a designated Bank checking, NOW, or savings account. The minimum payment amount that may be sent is \$5.00. The maximum amount is determined by funds availability in the designated account. You can pay any merchant or individual approved through Bill Payment, except federal, state and local tax agencies. When Bill Payment receives payment instructions; payments will be remitted on your behalf from the funds in your designated Bank checking account. Payments must be entered before 2:00 p.m. Central Time, on the day you have scheduled the payment to occur. We cannot make changes after the payment is processed. Any payments made with Bill Payment require sufficient time to be processed. **YOU MUST SCHEDULE THE PAYMENT AT LEAST TEN (10) FULL BUSINESS DAYS PRIOR TO THE DATE THE PAYMENT IS DUE AT YOUR PAYEE.** Bank shall not be responsible for any charges imposed or any other action taken by a payee resulting from a payment that you have not scheduled properly, including any applicable finance charges and late fees. If there are insufficient funds in your designated Bank checking account on the payment date, the payment will continue to be attempted until sufficient funds are in the account. You are responsible for any loss or penalty that may occur due to a lack of sufficient funds or other conditions that may prevent the withdrawal of funds from your account.

(E) LIMITS ON ONLINE BANKING TRANSACTIONS

You must have enough money or credit in any account from which you instruct us to make a payment or transfer. Certain types of accounts including but not limited to savings and money markets have limited number of withdrawals that may be allowed in a specified period. These limitations are found in the Mazon State Bank brochure “Terms and Conditions of Your Account”, “Electronic Fund Transfers—Your Rights and Responsibilities”, “Your Ability to Withdraw Funds”, and “Truth-In-Savings Disclosure” that you received when you opened your deposit account and any subsequent amendments. You continue to agree to these items in the “Understanding Your Deposit Account” brochure and any subsequent amendments.

(F) LIMITATION ON LIABILITY

EXCEPT AS OTHERWISE PROVIDED HEREIN OR BY LAW, IN NO EVENT WILL THE BANK BE LIABLE TO YOU FOR ANY LOSS ARISING FROM THE USE OF, OR INABILITY TO USE, THIS SERVICE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, FORESEEN OR UNFORESEEN, INCLUDING LOSS OF PROFITS OR OTHER ECONOMIC LOSS, OR ANY OTHER DAMAGE OF ANY

KIND EVEN IF THE BANK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

We make no warranty to you regarding the computer software, including any warranty of merchantability or fitness for a particular purpose. We are not responsible for any errors or failures from any malfunction of your computer or the software. We are also not responsible for any damage to your computer, modem, telephone, or other property resulting from the use of Personal Online Banking, including damage from any electronic virus or viruses that you may encounter.

(G) OUR LIABILITY FOR FAILURE TO COMPLETE PAYMENTS OR TRANSFERS

If we do not complete a payment or transfer on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. **However, there are exceptions.** Mazon State Bank : Disclosure: “ **Electronic Funds Transfers Your Right and Responsibilities**

We will NOT be liable:”

- If, through no fault of ours, you do not have enough available money in the account from which a payment or transfer is to be made, or if the account has been closed or is not in good standing, or if we reverse a payment or transfer because of insufficient funds, or if any payment or transfer would go over the credit limit of any account.
- If your or our equipment was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.
- If you have not given us complete, correct or current account numbers or other identifying information so that we can properly credit your account or otherwise complete the transaction, or if you do not properly follow our instructions, or if you provide us with wrong or inaccurate information, or fail to correct or tell us about any inaccuracy of which you are aware.
- If you do not instruct us soon enough for your payment or transfer to be received and credited by the time it is due. All Bill Payments should allow TEN (10) business days (not including Holidays) for the payment to reach vendors. If the payment is the first payment, you should allow ten (15) days for the vendor to adjust to payment type.
- If the money in the account from which a payment or transfer is to be made is subject to legal process or other claims that may restrict the transaction.
- If circumstances or persons beyond our control prevent, delay, intercept, or alter the transaction, despite reasonable precautions that we have taken.
- If failure was caused by an act of God, event of terrorism, fire, or other catastrophe, or by an electrical or computer failure or by other causes beyond our control, or if we have a reason to believe that the transaction requested is unauthorized.

(H) YOUR LIABILITY AND INDEMNITY

You warrant that you will perform your obligations under this Agreement consistent with all applicable Bank rules and regulations and that all information that you provide us is accurate, timely, and has been authorized by you. Use of these Services is at your own risk. You are responsible for the installation, maintenance, and operation of your computer and browser software, anti-virus software and personal computer firewall.

The risk of error, failure, or nonperformance is your risk and includes the risk that you do not operate the computer software properly. Undetected or un-repaired viruses may destroy your programs, files, and even your hardware. We encourage you to purchase and employ a reliable firewall on your computer that will protect your computer from intrusion while you are connected to the Internet. You are solely responsible for the proper installation, configuration, and maintenance of an intrusion detection system you may employ.

You acknowledge that you shall be fully responsible and liable for any transactions initiated under this agreement. You acknowledge that you are in the best position to monitor the use of the Personal Online Banking service, avoid errors in transmitting transactions through the use of the Personal Online Banking service, protect the confidentiality and secrecy of the passwords and govern the authority given to each authorized user.

Therefore, you agree that the Bank shall have no duty or obligation to verify information submitted by you in using the Personal Online Banking service. Except to the extent that we are liable under the terms of this Agreement, you agree to indemnify and hold the Bank, its officers, directors, agents, and employees harmless from all claims, demands, judgments, expenses, liability, causes of action and damages, arising out of your use of the Personal Online Banking service. Indemnification shall survive termination of this agreement. Mazon State Bank Online Banking Agreement and Disclosure "Terms and Conditions of Your Account"

(I) BUSINESS DAYS

Our business days are Monday through Friday, excluding Holidays. We can process a fund transfer on the same business day as your instruction, if we receive your instructions before our Personal Online Banking cut-off hour of 2:00 p.m. Central Time on a business day. If we receive your instruction after the cut-off hour of our business day, we will process the transaction on the next business day. If the date you request for a future transfer or payment is not a business day, we will process the transaction on the business day immediately preceding the date you have requested. If you schedule a recurring funds transfer, and the payment date does not exist in a month, payment will be processed on the last business day of the month.

(J) STATEMENTS

Your Personal Online Banking payments and transfers will be indicated on the monthly or quarterly statements we provide.

(K) CHARGES FOR TRANSACTIONS

You agree to be charged for any applicable Personal Online Banking fees as listed in Bank's fee schedule. We reserve the right to change our fee schedule from time to time and your account will be charged in accordance with the new fee schedule after giving you at least thirty-day (30) notification. Any Bill Payment fees will be assessed to your designated Bank checking account.

(L) UNAUTHORIZED TRANSACTIONS OR LOSS OR THEFT OF YOUR PERSONAL ONLINE BANKING ID OR PASSWORD

If you believe your Personal Online Banking ID or Password or other means of access have been compromised or stolen or that someone has used them without your authorization, call us **immediately toll-free** at (888) 448-2102, during normal business hours. After hours you may e-mail us at: info@mazonstatebank.com or write to us at: Mazon State Bank, PO Box 367, Mazon, Illinois 60444 Attn: Operations Online Banking Dept. Contacting us by phone is the best way of reducing your possible losses, since not all e-mail may arrive at their destinations in a timely manner. Because e-mail is not secure, do not include any of your account or social security numbers with your e-mail. Your name, address, daytime phone number, and a brief message as to what the problem might be is all we will need. If you notify us of a loss, your liability for unauthorized transactions or payments will be as follows:

- If you contact us within two (2) business days of the loss or your discovery of the loss, you can lose not more than \$50.00 if someone used your Personal Online Banking ID and Password without your permission.
- If someone used your Personal Online Banking ID and Password without your permission, you could lose as much as \$500.00 if you do not contact us within two (2) business days after you learn of the loss and we can prove that we could have prevented the loss if you had contacted us.
- If your statement shows transfers or payments that you did not make, notify us at once. If you do not tell us within sixty (60) days after the first statement showing such a transfer was mailed to you, you may not get back any funds lost after the sixty (60) days, if we can prove your contacting us would have prevented those losses.

If you have given someone your Personal Online Banking ID and Password or other means of access, you have authorized that person to effect transactions in your account, and you are responsible for all transactions that person performs. The above limitations do not apply. You also agree to sign an Affidavit of Loss. By signing such Affidavit you agree to help the bank in prosecution of the person(s) responsible for such breach.

(M) ERROR RESOLUTION

In case of errors or questions about your transactions on Personal Online Banking or if any statement you see shows transactions that you did not make, call or write us as soon as you can toll-free at 888-448-2102 or write Mazon State Bank PO Box 367, Mazon, Illinois 60444. We must hear from you no later than sixty-days (60) after we communicated the FIRST statement on which the problem or error appeared.

- ✓ Tell us your name and account number.
- ✓ 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.
- ✓ Tell us the date and dollar amount of the suspected error.

If you tell us orally, we may require that you send your complaint or question in writing within ten (10) business days. Generally, we will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly.

If we need more time however, we may take up to forty-five (45) calendar days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error so that you will have 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 decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of documents that we used in our investigation.

(N) YOUR USAGE AND RESPONSIBILITIES

You warrant and covenant that you will use the Bank's Personal Online Banking services for consumer, personal, family, or household purposes. You acknowledge that changes in technology, software, Bank policies and procedures, or other developments may require modifications to (or new or additional) your hardware, which you will be solely responsible for upgrading at your sole cost and expense if you desire to make continued use of the Bank's Personal Online Banking services.

(O) MISCELLANEOUS

Any required notice or other communication will be addressed to you at the address on file with the Bank. **You are responsible** for notifying the Bank of any change in your postal or e-mail address.

(P) OTHER GENERAL TERMS

This Agreement is intended to supplement and not to replace other agreements between you and us relating to your Account(s), including, without limitation, our “Terms and Conditions of Your Account”, “Electronic Fund Transfers and Your Rights and Responsibilities”, “Your Ability To Withdraw Funds” and “Truth-In-Savings Disclosure” agreements. In the event of a conflict between this Agreement and any other Account rules and agreements that apply to your Account(s) or the functions performed using Personal Online Banking; this Agreement shall govern and prevail.

(Q) THIRD PARTIES

You understand that third parties other than us provide support and services relating to Personal Online Banking, and you authorize us to contract with third parties to provide such support and service. You release us from any liability for failures, act, or omissions of any third party system operator including, but not limited to, unauthorized access or theft or destruction of your information or instructions.

We have procedures to protect confidential information about you, your accounts, and your transactions. When we share information with third parties in order to effect your transactions, we require them to sign a contract agreeing to use the information only for the required purposes. Our information practices are fully detailed in our Privacy Policy.

(R) APPLICABLE LAW

This Agreement will be governed by, construed and enforced according to the laws of the State of Illinois.

(S) AMENDMENT

We may amend this Agreement at any time. Notice will be sent to you at your current address in our files. Amendments will be effective upon the date indicated in the notice.

(T) TERMINATION

We may modify, suspend, or terminate your privilege of using Personal Online Banking and may withhold approval of any transaction, at any time, without prior notice to you. In the event we terminate Personal Online Banking, we will try to notify you in advance but are not required to do so. You will be notified as soon as practicable. If you wish to terminate your participation in Personal Online Banking, you must notify us at least ten (10) business days prior to the date you wish to terminate. Unless otherwise agreed, we will terminate the service on the 10th business day following our receipt of your notice. Termination shall not affect the rights and obligations of the parties for transactions made with the Personal Online Banking before we have had a reasonable time to respond to your termination request. **You must cancel all** future funds transfers, whether recurring or individual payments, when you terminate Personal Online Banking or we may continue to process such payments.

PERSONAL ONLINE BANKING APPLICATION

(All fields are required.) Please Type or Print. Please bring this completed form to
Your nearest Grundy Bank branch or mail it to:
MAZON STATE BANK-OPERATIONS DEPT. PO Box 367, Mazon, Illinois 60444.

(Each applicant must complete a separate application.)

Customer Name: _____ **Social Security Number** _____

Address: _____ City _____ State _____, Zip _____

Home Phone () _____ Work() _____ Cell() _____

Employer: _____ Work Number () _____

E-Mail Address: _____ Date of Birth _____

Security Questions

Due to growing concern over identity theft Mazon State Bank is taking additional measures to make sure your information is protected. Please provide us with the following information, as we will use that information as an additional source to protect for your accounts:

1. What is your mother's maiden name? _____
2. Where were you born? _____
3. What is your favorite pats name? _____
4. Optional question you would like us to use? Please fill in below
Question _____
Answer _____

Account Numbers you would like access to:

I would like to receive my User Name and Password by: _____ e-mail or _____ Postal Mail The primary account that you listed above will be charged any fees that pertain to your Personal Online Banking account.

PLEASE READ BEFORE SIGNING:

I certify that the information provided is true and correct. I authorize Mazon State Bank to verify any information included in this application. Account access is limited to accounts on which I am a signer. The use of Mazon State Bank's E-Banking service shall be governed by the printed terms and conditions of the Personal Online Banking Agreement and Disclosure Statement, which are posted on the Mazon State Bank's website, www.mazonstatebank.com. I have read these terms and my signature below acknowledges my agreement to them.

Customer Printed Name _____

Signature _____ Date _____ Customer

FOR BANK USE ONLY

Date _____

Connect3 setup by (Full Name) _____ Date _____

Password setup by: Initialed: _____ Date: _____

Mailed / E-mailed User Name to Customer: Initialed: _____ Date: _____

Mailed / E-mailed Password to Customer: Initialed: _____ Date: _____

Security/CIS Information verified by _____ Date _____

Customer Portfolio Number _____ Name Line _____

Security Statement

This Internet Banking Solution brings together a combination of industry-approved security technologies to protect data for the bank and for you, our customer. It features password-controlled system entry, a VeriSign-issued Digital ID for the bank's server, Secure Sockets Layer (SSL) protocol for data encryption and a router loaded with a firewall to regulate the inflow and outflow of server traffic.

Secure Access and Verifying User Authenticity

To begin a session with the bank's server the user must key in a Log-in ID and a password. The Internet Banking Solution uses a "three strikes and you're out" lockout mechanism to deter users from repeated log-in attempts. After three unsuccessful log-in attempts, the system locks the user out, requiring either a designated wait period or a phone call to the bank to verify the password before re-entry into the system. Upon successful login, the Digital ID from VeriSign, the experts in digital identification certificates, authenticates the user's identity and establishes a secure session with that visitor.

Secure Data Transfer

Once the server session is established; the user and the server are in a secured environment. Because VeriSign has certified the server as a 128-bit secure server, data traveling between the user and the server is encrypted with Secure Sockets Layer (SSL) protocol. With SSL, data that travels between the bank and customer is encrypted and can only be decrypted with the public and private key pair. In short, the bank's server issues a public key to the end user's browser and creates a

temporary private key. These two keys are the only combination possible for that session. When the session is complete, the keys expire and the whole process starts over when a new accountholder starts a server session.

Router and Firewall

Requests must filter through a router and firewall before they are permitted to reach the server. A router, a piece of hardware, works in conjunction with the firewall, a piece of software, to block and direct traffic coming to the server. The configuration begins by disallowing ALL traffic and then opens holes only when necessary to process acceptable data requests, such as retrieving web pages or sending customer requests to the bank.

Using the above technologies, your Internet banking transactions are secure.