

ONLINE BANKING TERMS AND CONDITIONS

Revised July 2013

This Agreement describes your rights and obligations as a user of the On-Line Banking Service. It also describes the rights and obligations of The Citizens State Bank of Ouray. Please read this Agreement carefully. As an authorized account holder you must abide by the terms and conditions of this Agreement, and those provided to you at account opening, in order to use this Service.

CUSTOMER DISCLOSURE AND AGREEMENT TO RECEIVE ELECTRONIC COMMUNICATIONS

By selecting the "I Accept" button below, you are (1) acknowledging your receipt of the information listed below, (2) agreeing that any contract you enter into with The Citizens State Bank of Ouray for the provision of certain On-line Banking Services, may be in electronic form, and (3) agreeing that certain information that may be delivered in connection with the Services may also be in electronic form.

You are also acknowledging receipt of the following information and agree that:

- You are entitled to a monthly periodic statement for each statement cycle in which an electronic transfer is made. The statement must show the amount of any transfer, the date it was credited or debited to your account, the type of transfer and type of account(s) to or from which funds were transferred, and the address and telephone number for inquiries. You're entitled to a quarterly statement whether or not electronic transfers were made
- We may provide you with this Agreement and any revisions and amendments thereto in electronic form, and that, if you choose to accept the Agreement, you are consenting to enter into and are entering into an Agreement electronically that will govern all future transactions and conduct using the Service.
- We may provide you revisions and amendments to the Agreement and such other information, including but not limited to information under Regulation E and under other applicable banking or financial services laws or regulations in connection with the Service, electronically as a part of the Agreement or otherwise as a part of the Services. While you may print and retain a copy of the Agreement or any information provided to you in relation to the Service, we only provide these documents electronically.
- You have a right at any time to withdraw, without service charges, your consent to receive information electronically. However, because the Agreement and the Information are provided only in electronic format, your withdrawal of consent will terminate all the Services.
- If you wish to withdraw consent to receive information electronically, to terminate the Services, or to update your information such as a change of address, or email address, you may call The Citizens State Bank of Ouray at (970) 325- 4478 or write a letter and send it to:

The Citizens State Bank of Ouray
Attn: Online Banking Department
PO Box A
Ouray, CO 81427

- You are able to access information that is provided in the same manner as the information and the Services via the Internet.

DEFINITIONS

As used in this Agreement, "account" and "accounts" mean The Citizens State Bank of Ouray's account in which you are either the owner or joint owner. "Loan account" and "loan accounts" mean any loan you have with The Citizens State Bank of Ouray. "You," and "your," and "yours" mean the person(s) using the

Service. "We," "our," "us," and "Financial Institution" refer to The Citizens State Bank of Ouray. In this Agreement, your computer and the related equipment are referred to together as your "Computer."

DEPOSIT AND CREDIT AGREEMENTS

The terms and conditions in this Agreement shall have priority and take precedence over any existing terms and conditions in existing account and loan Agreements you have with us in the event of a conflict.

REQUIRED EQUIPMENT

In order to use the Online Banking Service, you need a computer with a web browser and an Internet connection, a user ID number, and Online Banking PIN. The PIN is the confidential personal identification number you use to access your account(s) through Online Banking.

You are responsible for the installation, maintenance, and operation of your computer, browser and the software. The Citizens State Bank of Ouray is not responsible for any errors or failures from any malfunction of your Computer, the browser or the software. The Citizens State Bank of Ouray is also not responsible for any Computer virus or related problems that may be associated with the use of an online system. Each user of this website agrees to indemnify and hold The Citizens State Bank of Ouray, its officers, directors, shareholders, agents and employees harmless from and against all claims and expenses, including attorneys' fees arising out of the use of this website and the content herein.

THE SERVICE

To use Online Banking, you must have at least one account with The Citizens State Bank of Ouray and an Online Banking PIN. Through Online Banking, you will have access to any of your account(s) or loan account(s) held at The Citizens State Bank of Ouray. The Citizens State Bank of Ouray reserves the right to deny access to a deposit account or loan account or to deny transactions under certain circumstances.

DESCRIPTION OF ONLINE BANKING

The Citizens State Bank of Ouray's Online Banking service allows you to perform some or all of the following functions from your Computer:

(a) Transfer funds between only your accounts at The Citizens State Bank of Ouray; (b) obtain deposit account balance information and history; (c) obtain loan account balance information and history. These features are limited to the extent and subject to the terms noted below.

Your ability to transfer funds between certain accounts is limited by Federal Law and your Deposit Agreement. You should refer to the Deposit Agreement for legal restrictions and service charges applicable for excessive withdrawals or transfers. Transfers made using the Online Banking Service are counted against the permissible number of transfers described in the Deposit Agreement.

There may be at least a one-business-day delay in transferring funds between your accounts. Except as provided in this Agreement, all Online Banking transaction instructions received by 4:15 pm Mountain time will be completed that business day. Any instructions received after 4:15 pm Mountain time will be completed the next business day.

Balances displayed on your online banking page may not reflect any ATM or telephone-banking transactions conducted within the last 24 hours and does not include other **outstanding** checks, check card transactions and other outstanding debit items.

Your account will be charged our current overdraft/insufficient funds fee should an Online Banking transfer results in overdrawing your account.

PERSONAL IDENTIFICATION NUMBER AND SECURITY

Your Online Banking personal identification number (PIN) is required to access The Citizens State Bank of Ouray's Online Banking functions. You agree not to give or make available your PIN to any unauthorized individual. If you believe your PIN has been lost, stolen or compromised, someone has attempted to use the Online Banking Service without your consent, your deposit account(s) or loan account(s) have been accessed, or someone has transferred money without your permission, you must notify The Citizens State Bank of Ouray immediately (see Contact Information in Liability, Errors and Questions Section.) The Citizens State Bank of Ouray does not maintain a record of your PIN. If you lose or forget your PIN, contact The Citizens State Bank of Ouray immediately so that you may select a new confidential PIN.

PRIVACY

We collect nonpublic personal information about you from the following sources:

Information we receive from you on applications or other forms; information about your transactions with us and/or others and information we receive from a consumer-reporting agency.

"Nonpublic personal information" is nonpublic information about you that we may obtain in connection with providing a financial product or service to you. This could include information such as account balances, payment history, and overdraft history. We do not disclose any nonpublic personal information about you to anyone, except as permitted by law. If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

We restrict access to your personal and account information to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

When you visit The Citizens State Bank of Ouray's Web site, you do so without revealing your personal identity. Our systems recognize the Web site you came from and the Web site you go to when leaving. We may monitor statistics about visitors to our Web site, such as how many people visit the site and which pages they view. However, no personal information is associated with these statistics, and no personal information is collected unless you initiate a transaction or place an order.

We use return E-mail addresses to answer the E-mail we receive. Such addresses are not used for any other purpose and are not shared with outside parties. Any personally identifying information gathered is not sold to third parties.

Finally, we never use or share the personal nonpublic identifiable information provided to us online in ways unrelated to those described above.

Although fully responsible for the content of our own Web site, The Citizens State Bank of Ouray is not responsible for the content or information practices employed by site linked to or from our Web site. In most cases, links to non-Bank websites are provided solely as pointers to information on topics that may be useful to the users of The Citizens State Bank of Ouray's site.

Your confidence in us is important and we want you to know that your personal and account information is safe. If you have any questions or concerns, please contact us.

NO SIGNATURE REQUIRED

When using Online Banking to conduct transactions, you agree that The Citizens State Bank of Ouray may debit your account to complete the transactions, or honor debits you have not signed.

CHARGES

You will not be charged for the "view accounts" or "transfer funds" features of The Citizens State Bank of Ouray's Online Banking. NOTE: Your accounts and loan accounts are still subject to the fees, charges, balance requirements, etc. articulated in the Deposit Agreement and Loan Agreement.

ALTERATIONS AND AMENDMENTS

The terms of this Agreement, applicable fees, and service charges may be altered or amended by The Citizens State Bank of Ouray from time to time. In such event, The Citizens State Bank of Ouray shall send notice to you either at your address as it appears on our records or by online notice through Online Banking. Any continuation of Online Banking after The Citizens State Bank of Ouray sends you a notice of change will constitute your Agreement to such change(s). Further, The Citizens State Bank of Ouray may from time to time revise or update the Online Banking program, services, and/or related material(s) rendering such prior versions obsolete. Consequently, The Citizens State Bank of Ouray reserves the right to terminate this Agreement as to all such prior versions of the Online Banking programs, services, and/or related material(s) and limit access to Online Banking's more recent versions and updates.

ADDRESS CHANGES

You agree to promptly notify The Citizens State Bank of Ouray in writing of any address change.

TERMINATION OR DISCONTINUATION

The use of Online Banking requires enrollment on your behalf, therefore should you wish to discontinue use of The Citizens State Bank of Ouray's Online Banking, you must notify The Citizens State Bank of Ouray in writing at:

The Citizens State Bank of Ouray
PO Box A, Ouray, CO 81427

This notification should include your name, address and the effective date to stop the service(s). Any transactions or payments you have authorized prior to the effective date will be completed as instructed.

The Citizens State Bank of Ouray may terminate your Online Banking privileges under this Agreement without notice to you for any reason; or if you do not pay any fee required by this Agreement when due, if you do not comply with the Agreement governing your deposit account(s) or loan account(s), or your account(s) are not maintained in good standing. We will promptly notify you if we terminate this Agreement or your use of the Online Banking services for any other reason. Neither termination nor discontinuation shall affect your liability or obligation under this Agreement.

PAYEE LIMITATION

The Citizens State Bank of Ouray reserves the right to impose a frequency or dollar limit on or refuse to make any payment you have directed. The Citizens State Bank of Ouray is obligated to notify you promptly if it decides to refuse to complete your payment instruction. This notification is not required if you attempt to make payments which are prohibited under this Agreement.

NO WAIVER

The Citizens State Bank of Ouray shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by an authorized officer of The Citizens State Bank of Ouray.

GOVERNING LAW

This Agreement shall be governed by the laws of the jurisdiction in which the Financial Institution is located and by applicable Federal laws and regulations.

FEDERAL DISCLOSURE

You agree to accept this disclosure online rather than a paper disclosure. We recommend you print this entire Agreement and Disclosure for your records. If you are unable to print this, please request a paper disclosure to be mailed to you.

INDEMNIFICATION

You agree to defend, indemnify and hold harmless The Citizens State Bank of Ouray, its affiliates and their respective directors, officers, employees and agents from and against all claims and expenses, including attorneys' fees, arising out of your violation of this Agreement or misuse of the Service or this Site, including such violation or misuses conducted by your employee or agent if applicable.

LIABILITY, ERRORS AND QUESTIONS

REGULATION "E" (Electronic Fund Transfer):

This Agreement and Disclosure is made in compliance with Colorado and Federal Law regulating electronic fund transfer (EFT) services. Electronic fund transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic fund transfers.

In this Agreement, the abbreviation "OLB" means Online Banking; the definition stated, (a) Account(s) will mean each of your consumer checking or savings accounts that you have with The Citizens State Bank of Ouray; (b) "you" and "your" mean those who sign as applicants and any authorized user(s); (c) "we", "us" and "our" mean The Citizens State Bank of Ouray; (d) the abbreviation "PIN" or "code" means a personal identification number; (e) "ATM" will mean automated teller machine; (f) "card" will mean one or more cards which access your accounts; (g) "Transaction" will mean any electronic fund transfer as defined by the Electronic Funds Transfer Act, 15 U.S.C.A §1693A, including deposits, withdrawals, or point-of-sale (POS) purchases, made electronically, as well as all transfers resulting from the use of your card(s), even if an ATM is not involved at the time of transaction.

(1) Cardholder's Liability

Call us AT ONCE if you believe your Online Banking (OLB) Personal Identification Number (PIN) has been stolen.

If you allow someone to use or to have access to your account's PIN and that the person then or subsequently uses your OLB account in an unauthorized manner, such use shall be deemed to be an authorized use of the OLB. Such authorized use may be revoked by written notice to the Bank, which notice shall be effective as to transactions conducted after midnight on the next banking day following the banking day on which the Bank received the written notice.

If you find transactions that you are not responsible for on your statement, you must inform us within 60 days of the ending date on your statement.

If a reasonable circumstance (such as a long trip or a hospital stay) kept you from informing us of any error(s) on your statement, we may make an exception to this time limit.

Additional limit of Liability for OLB: Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using OLB.

ILLEGAL USE: You agree that you will not use and will not permit anyone else to use OLB unlawfully, for any illegal purpose, activity or transaction.

(2) How to Notify Us of an Unauthorized Transaction

If you believe there has been an unauthorized EFT to your account or your OLB PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, write:

The Citizens State Bank of Ouray
PO Box A, Ouray, CO 81427

Or call The Citizens State Bank of Ouray at (970) 325-4478 Monday through Friday, 8am-4pm.

(3) Business Days

Our business days are Monday through Friday unless otherwise posted, not including holidays.

(4) Bank Liability

If we do not complete a transaction to or from your checking or savings account on time or in the correct amount according to this Agreement with you, we will be liable for your losses or damages. We will not be liable, however, if:

- (a) Through no fault of ours your account does not contain sufficient available funds to make the transfer;
- (b) Circumstances beyond our control (such as fire, flood, or a mechanical or electrical failure) prevent the transaction and we have taken responsible precautions to avoid those circumstances;
- (c) The money in your account is subject to legal process or any other encumbrance restricting transfers;
- (d) There is an error on your account due to a card not issued by our institution.

There may be other exceptions not specifically mentioned above.

(5) Privacy

We may disclose information to third parties about your accounts and the transactions you perform:

- (a) Where it is necessary or helpful for completing transactions;
- (b) To comply with the law or with a Government Agency or Court Order;
- (c) To verify the existence and conditions of your account for a third party, such as a credit bureau, merchant and then the information disclosed pertains only to your payment habits in connection with loans and other credit accommodations and does not include information concerning balances in savings or checking accounts.
- (d) If you give us your written permission;

(e) When disclosure is made to the holder of a negotiable instrument drawn on the bank as to whether you have sufficient funds in the bank to cover the instrument.

(6) Changes in Terms

We may change the terms of this Agreement from time to time by sending either written or electronic notification or amended Agreement to you at the last address shown in our records for your EFT account or via Online Banking. We reserve the right to terminate the Agreement and/or your use of OLB and other EFTs including but not limited to: ATMs and Visa Check Cards, with or without cause. We may immediately do so if:

- (a) You or any authorized use of OLB breaches any other Agreement with us;
- (b) We have reason to believe that there has been or may be an unauthorized use of your PIN;
- (c) You request that we do so.

NOTE: If you ask us to terminate or suspend your account or the use of OLB, you will remain liable for subsequent OLB transactions performed by any other party to your account via OLB.

Except as stated otherwise in this Agreement, this Agreement does not alter or amend the terms or conditions of any account Agreement you have with us.

(7) What to Do to Stop Payment

You cannot place a stop payment on any transaction using Online Banking.

You may stop payment on a pre-authorized electronic transfer from your account by notifying us orally or in writing, at any time up to three business days before the scheduled date of the transfer. We require written confirmation of the stop payment order be made within 14 days of an oral notification if, when the oral notification is made, the requirement is disclosed to you together with the address to which confirmation should be sent. If written confirmation has not been received by us, the oral stop payment order shall cease to be binding 14 days after it has been made. If regular payment may vary in amount, the party you are going to pay will tell you 10 days before each payment, when it will be and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits you set.

(8) What to Do in Case of Error or Questions About Your Electronic Transfers

Call or write The Citizens State Bank of Ouray as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. If you want to check on any debit or credit received by us, please call with the following information:

- (a) Your name and account number;
- (b) Description the error or transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information;
- (c) Tell us the dollar amount of the suspected error and the date of the transaction.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within ten (10) business days after we receive your complaint and will correct any error promptly. If we need more time, however, we may take up to forty-five

(45) 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 the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question(s) in writing and we do not receive it within ten (10) business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.