

BUSINESS INTERNET BANKING AGREEMENT/DISCLOSURE

Effective February 1, 2008

Lytle State Bank – On-line Business Service

This is your agreement with Lytle State Bank. You may use Lytle State Bank's service to perform [or direct the bank to perform] certain functions from your designated account(s) in accordance with this or other separate agreements for specific functions. You agree to abide by all the requirements in written agreements and other documents in effect from time to time governing your account.

"You" or "your" means **anyone** to whom valid access has been provided for use of the system on your behalf. In this agreement, "we", "us", or "our" refers to Lytle State Bank, and "you", "your", or "yours" refers to Lytle State Bank customers with access to Internet Banking.

Available Functions

You will be fully responsible for any and all activity performed by you or any employee to whom access has been granted. The following may be performed:

- View account balances and transaction history
- Search account history by check number, amount, or date
- Transfer funds between accounts

Rejection or Reversal of Transactions

You agree to have available and collected funds on deposit in the account(s) you designate in amounts sufficient to fund all payments requested, as well as, any other payment obligations you have to us. ***Lytle State Bank reserves the right, without liability to reject or reverse a transaction or service listed above if you fail to comply with this requirement unless you have sufficient available line of credit.*** If you do not have sufficient funds in the account and Lytle State Bank has not exercised its right to reverse or reject a transaction, you agree to pay for such payment obligations on demand. You further agree Lytle State Bank, at its option, may charge any of your accounts with the Bank to cover such obligations and resulting fees such as an overdraft fee.

Liability

You are solely responsible for controlling the safekeeping of, and access to, your access device (User ID, Personal Identification Number, Authentication Phrase and image, answer to challenge questions and personal or public computer).

- You are liable for all transactions you or anyone having access to your Internet Banking authentication initiates. If you want to terminate your main access authority, you must notify Lytle State Bank and arrange to change your access device (User ID, Personal Identification Number, Authentication Phrase and image, answer to challenge questions and personal or public computer).
- You will be responsible for any transaction (you request) containing errors or a duplicate request (you have entered).
- Lytle State Bank is not responsible for a transaction that is not made if you did not properly follow the instructions for completing such a transaction.
- Lytle State Bank is not liable for any failure if you fail to promptly notify the Bank after you learn that the requested action did not take place.
- Lytle State Bank is not responsible for your acts, omissions, or those of any other authorized person including, without limitation, any related transmission or communication. No such party shall be deemed to be Lytle State Bank's agent.

- Lytle 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.
- Lytle 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 Lytle State Bank's reasonable control.

Amendment and Termination

Lytle State Bank has the right to change this Agreement at any time by providing you notice to the last address shown on your bank account, by posting notices or as otherwise permitted by law.

Lytle State Bank has the right to terminate this Agreement at any time.

You may terminate this Agreement by written notice to Lytle State Bank. However, the Bank is not responsible for any remaining transactions before Lytle State Bank has a reasonable opportunity to act on your termination notice. Therefore, you remain obligated for any transactions made by Lytle State Bank on your behalf.

Fee Schedule

Lytle State Bank reserves the right to change any and all fees at its option. Should a change be made to any fee you will be notified before the change is effective.

Additional charges for customer requested services and other items:

These charges will be assessed if you incur a fee or request one or more of the following services listed:

1. Fees.

- Overdraft Item Fees – You may be charged \$25.00 for each item that creates an overdraft.
- Returned Item Fees – You may be charged \$25.00 for each item that is returned.
- Items needed to correct our error. \$0.00
- Stop Payments – You may be charged \$20.00 for each item you place a stop order on.

2. Services.

- We reserve the right to charge for research time \$15.00 an hour. You will be informed of any such charges before they are incurred.

NOTE

Please reference:

1. Electronic Fund Transfers Disclosure Statement you received when you opened your account(s), which discloses important information concerning your rights and obligations.
2. Disclosures and fees which covers your obligations, the banks obligations and the cost of services.

As a commercial entity you represent and warrant that you will use Lytle State Bank's on-line service solely for business purposes. You acknowledge that access to business accounts is not governed by the Federal Electronic Transfer Act and Regulation E. You represent and warrant that you are acting with full authority for the applying entity, and that you are duly authorized to execute this Agreement on behalf of the applying entity.

I have read and agree to the terms of the Internet Banking Agreement.