

# Wallis State Bank Internet Banking Terms, Conditions and Service Agreement

Effective September 01, 2016

Prior to accessing and utilizing Wallis State Bank's Internet Banking service, please read the following terms and conditions. At the end of this document, you may choose "ACCEPT" to enter Wallis State Bank's Internet Banking or "DECLINE" if you do not wish to accept the terms of this agreement or use Wallis State Bank's Internet Banking.

## Electronic Disclosure Consent

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### PLEASE READ THIS AGREEMENT FULLY AND KEEP A COPY FOR YOUR RECORDS

In this agreement, the terms "you" and "your" refer to an existing Wallis State Bank customer. "We", "our", "us" and "bank" refer to Wallis State Bank. To access this service you may use a personal computer (PC), an Internet connection, a user code and password.

You may use your PC to make transfers, inquiries, or download your account information in accordance with the guidelines for account use and activity as regulated by local, state and federal laws and policies. You will continue to receive your monthly account statements that will reflect all account activity for that monthly cycle.

## Hours of Operation

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Wallis State Bank Internet Banking is available 24 hours a day, 7 days a week except for those times that we may take our system down for routine maintenance or upgrades as necessary, or for any uncontrollable or unforeseen malfunctions of our equipment or systems.

Wallis State Bank telephone customer service is available from 9:00 AM to 4:00 PM CST Monday through Thursday, and 9:00 AM to 5:00 PM CST on Friday. You may contact customer service at 713-935-3700 or 844-972-4636.

Wallis State Bank recognizes all days as business days except Saturdays, Sundays, and Federal holidays. The term business day means Monday through Friday, excluding Saturday, Sunday, and Federal banking holidays.

## Equipment

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Wallis State Bank is not responsible for the equipment you use to access these services. We are not responsible for any inaccessibility issues arising from malfunction or inadequate performance of your equipment. We are not responsible for any cost incurred by you in upgrading your equipment in order to access our service(s), nor shall we be held responsible for any damages to your equipment or any data lost or altered thereon.

## Account Confidentiality

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It is the general policy of Wallis State Bank to treat your account information as confidential. However there are some instances that we will disclose your account information or activity to a third party. These instances include completing transactions, verifying existence and condition to a third party such as a credit bureau or merchant, complying with government agencies, court orders or similar legal proceedings, or if given written permission by you to disclose your account information.

## User Code and Password

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Each individual who has access to Wallis State Bank's Internet Banking, including each individual named on joint accounts, must designate an access ID and password. For security purposes, you are required to change your access ID and password upon your initial first time login to Wallis State Bank's Internet Banking. Password security is very important. It is mandatory that passwords be changed at least every 90 days. Passwords should be complex which means that numbers and special characters should be used. Using a phrase for a password is a good practice; it is easy to remember and harder to crack or guess. The password, a minimum of 8 characters, maximum of 16 characters, must contain at least two numeric characters and at least four alpha characters. You agree that we are authorized to act on instructions received under your password. You accept responsibility for the confidentiality and security of your password and agree to change your password regularly. After three unsuccessful login attempts, the Wallis State Bank Internet Banking product will lock the user out. We recommend that the access ID consist of both upper and lowercase, alpha and numeric characters for security purposes. Your password should not be associated with any commonly known personal identification, such as social security numbers, address, dates of birth, names of children and should be memorized rather than written down.

## Notifications, Errors and Liability

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In case of questions or errors regarding Wallis State Bank Internet Banking transactions or transfers that appear on your statement, you should do one of

the following as soon as you can:

Telephone the Bank during normal customer service hours at 713-935-3700 or 844-972-4636, 9:00 AM to 4:00 PM CST, Monday through Thursday and 9:00 AM to 5:00 PM CST on Friday.

Write the Bank at: Wallis State Bank, Attn: Internet Banking Dept., 2929 W Sam Houston Pkwy N, Suite 300, Houston, TX 77043

**WE WILL NOT ACCEPT TRANSFER REQUESTS, ACCOUNT INFORMATION REQUESTS, OR ANY REPORTS OF UNAUTHORIZED OR FRAUDULENT ACTIVITY, NOR ACCEPT REPORTS OR REQUESTS FOR LOST, STOLEN, FORGOTTEN OR NEW PASSWORDS VIA ELECTRONIC MAIL.**

Please be prepared to provide the following information: your name, account number, amount of the transaction and a clear and complete description of the unauthorized or erroneous transaction.

The Bank must hear from you no later than sixty (60) days after we have sent you the FIRST statement on which the problem or error appeared. If you tell us orally, we may require you to send your complaint in writing to the address above within 10 business days of your call. If you do not send your complaint or question in writing within this time period, the bank will not re-credit the account for the amount of the error within 10 business days of the initial complaint or question. The bank may require you to complete an affidavit.

We will provide you with the results of our investigation within ten (10) business days (Twenty (20) business days for all new account opened during the first 30 calendar days after the account is established). If necessary, we may take up to forty-five (45) days to investigate your complaint or question. If the Bank decides to do this, the Bank will credit your account within ten (10) business days (Twenty (20) business days for all new accounts opened during the first 30 calendar days after the account is established) so that you will have the use of the money during the time it takes to complete the investigation. For those errors involving new accounts, point-of-sale, or foreign initiated transactions, we may take up to ninety (90) days to complete our investigation. We will notify you of the results within five (5) business days of the completion of our investigation.

We reserve the right but are not obligated to monitor and/or record all activity and communications related to Wallis State Bank Internet Banking. You agree that our records will be conclusive and final to all questions concerning the authorized or unauthorized use of your user name and/or password. Should any unauthorized use of your password be discovered, you agree to cooperate with us and any appropriate law enforcement authorities in locating, identifying and/or prosecuting the perpetrator.

If we do not complete a transfer to or from your account on time or for the correct amount according to our agreement with you, we will be liable for the losses or damages. There are some exceptions in which we will NOT be liable.

If, through no fault of ours, your account does not contain sufficient funds to complete the transfer.

If your account is subject to legal process, holds, freezes or other court ordered process that would cause funds to be unavailable for transfer.

If you, or anyone you allow, commits fraud or violates any regulation or law.

If any equipment, electronic terminal or telecommunications device is not working properly.

If instructions on the use of Wallis State Bank's Internet Banking are not followed properly.

If circumstances beyond our control, such as fire, flood, improper transmission, etc. occur despite reasonable action taken by us.

If Wallis State Bank's Internet Banking was not working properly and you were aware of the problem before beginning the transaction.

If Wallis State Bank's Internet Banking is temporarily unavailable due to system maintenance or upgrade, or for security reasons.

## Security and Accessibility

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Wallis State Bank's Internet Banking utilizes a 128-bit encryption system. This is the highest encryption standard available. It is recommended that your computer system utilize the same 128-bit system for optimum performance.

Wallis State Bank's Internet Banking will require that you change your password upon initial enrollment. Passwords must be 8 to 16 alphanumeric characters with **at least** two numeric characters and four alpha characters. (EX: 12abcde, Money987). **YOU ARE RESPONSIBLE FOR YOUR PASSWORD. PLEASE MEMORIZE IT.**

To assure your continued security on-line, Wallis State Bank may require both single & multi-factor authentication controls in order for the bank to identify our customers. The bank uses a layer of security questions in order to verify the authentication of our customers.

Wallis State Bank's Internet Banking utilizes a time-out feature that will automatically log you out of the Internet banking service after thirty (30) minutes of inactivity.

You will be locked out of the system after three (3) unsuccessful login attempts. You must then contact Wallis State Bank to change or reset your password.

To use Wallis State Bank's Internet Banking, you must have at least one Eligible Account (Checking, Savings, CDs or Loans) with Wallis State Bank. You will be able to view all accounts in which you're an authorized signer and your name appears within the account name.

Wallis State Bank reserves the right to block access to Wallis State Bank's Internet Banking due to such instances as illegal or fraudulent activity, to allow investigation into an error or other inquiry, or for any such cause that we see necessary.

## Limitations of Liability, Indemnification and Arbitration

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NOTWITHSTANDING ANY EXCEPTIONS OF PROVISIONS CONTAINED IN THIS AGREEMENT, WE SHALL BE RESPONSIBLE SOLELY FOR PERFORMANCE OF THE SERVICES AS EXPRESSLY PROVIDED FOR IN THESE TERM AND CONDITIONS.

WE SHALL BE LIABLE ONLY FOR THOSE LOSSES THAT ARE A DIRECT RESULT OF OUR NEGLIGENCE OR INTENTIONAL MISCONDUCT IN PERFORMING THESE SERVICES. WE ARE NOT LIABLE FOR ANY DISRUPTION OR DELAY IN PERFORMING SERVICES IF THE CAUSE OF SUCH DISRUPTION OR DELAY IS BEYOND OUR REASONABLE CONTROL, WHICH INCLUDES BUT IS NOT LIMITED TO POWER OUTAGES, WEATHER CONDITIONS, MALFUNCTION OF YOUR COMPUTER EQUIPMENT, MALFUNCTION OR DISRUPTION OF TELECOMMUNICATIONS SERVICES OR THE SERVICE OF YOUR INTERNET SERVICE PROVIDER. WE SHALL HAVE NO LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE DAMAGES, OR INDIRECT LOSS UNDER ANY CIRCUMSTANCES.

UNLESS REQUIRED BY LAW OR SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT, YOU AGREE THAT NEITHER WE NOR THE SERVICE PROVIDERS SHALL BE RESPONSIBLE FOR ANY HARM, INCLUDING BUT NOT LIMITED TO DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL OR ECONOMIC DAMAGES RESULTING IN ANY WAY FROM THE INSTALLATION, OPERATION OR MAINTENANCE OF OUR SYSTEM'S EQUIPMENT OR SOFTWARE, NOR ANY OF THE SAME FOR THE INTERNET SERVICE PROVIDER, TO INCLUDE ACCESS, BROWSER PROVIDERS OR ANY AGENT OR SUBCONTRACTOR OF ANY OF THE AFOREMENTIONED PARTIES.

EXCEPT TO THE EXTENT THAT WE ARE LIABLE UNDER THESE TERMS AND CONDITIONS, YOU AGREE TO INDEMNIFY AND HOLD US AND OUR DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES HARMLESS FROM ALL CLAIMS, JUDGEMENTS, DEMANDS, AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING OUT OF OR HOWSOEVER CONNECTED WITH PERFORMANCE OF THESE SERVICES. YOU AGREE THAT THIS INDEMNIFICATION SHALL SURVIVE THE TERMINATION OF THESE TERMS AND AGREEMENTS.

ALL MATTERS RELATING TO YOUR DEPOSITS WITH WALLIS STATE BANK SHALL BE BOUND BY THE TERMS AND CONDITIONS OF THE ARBITRATION PROGRAM WHICH WAS ADOPTED BY THE BOARD OF DIRECTORS ON MAY 19, 1999, AS MAY BE AMENDED FROM TIME TO TIME, AND WHICH IS INCORPORATED BY REFERENCE HERIN, AND IT IS AGREED THAT ANY AND ALL DISPUTES (AS DEFINED IN THE ARBITRATION PROGRAM) SHALL BE RESOLVED BY MANDATORY BINDING ARBITRATION UPON THE REQUEST OF ANY PARTY.

## Amendments

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We may change any of these terms and agreements by mailing or delivering to you a written notice at least thirty (30) days before the effective date of any change. We do not need to provide you with any prior notice if the change is immediate and necessary to maintain and restore the security of our system or an account. If in these instances the change is to become permanent, we will provide you with a written notice with the next scheduled periodic statement that we send to you, unless disclosure would put at risk the security of our system or an account. These notices are considered effective if mailed to the most recent address we have on record for you.

## Assignments and Termination

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You may not assign you rights and duties to this amendment to any other person or persons.

To terminate your service, please contact Wallis State Bank at 713-935-3700 or 844-972-4636 to assist you. We reserve the right to terminate the service with or without cause or prior notice. By your termination of this service, all written transfer requests or instructions pertaining to your account through the Internet banking service will become void, excluding recurring payments through bill pay services.

## Governing Law

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Wallis State Bank and Wallis State Bank's Internet Banking are governed by the laws of the State of Texas without regard to Texas's conflict of laws provision. Any action at law or other judicial proceeding for the enforcement of this Agreement shall be instituted only in the courts of the state of Texas.