

Bill Payment Agreement

This Bill Payment Agreement (herein referred to as "Agreement") explains the terms and conditions governing the use of First State Bank's Bill Payment service (herein referred to as "Bill Payment"). You may use First State Bank's Bill Payment service to direct First State Bank to make payments from your designated account(s) to the Payees you choose in accordance with this Agreement.

The terms and conditions of this Agreement are in addition to other agreements between you and First State Bank, including the applicable deposit account disclosure agreement(s) and terms and conditions, and our rules and regulations as well as your loan agreements with First State Bank. You should review the disclosures provided to you when you opened your account(s) with First State Bank.

All electronic communications that meet these requirements will be deemed to be valid and authentic and you intend and agree that those electronic communications will be given the same legal effect as written and signed paper communications. You agree that electronic copies of communications are valid and you will not contest the validity of the originals or copies, absent proof of tampering or altered data. You may request a paper copy of any of our agreements be sent to you via standard mail by writing or calling us. Our contact information is provided above within the Online Banking Agreement.

Definitions

As used in this Agreement, the following words have the meanings given below.

"Business Day" shall mean every day excluding Saturdays, Sundays and federal holidays.

"Payee" means anyone, including First State Bank, you designate and First State Bank accepts as a recipient of a bill payment.

"Process Date" is the date you select the funds for a bill payment to be withdrawn from your account and the payment to be processed.

"Financial Institution", "we," "us," and "our" are used to refer to First State Bank, the depository institution that holds one or more accounts accessed by the Bill Payment service.

"You" or "your" means each person who is authorized to use the Bill Payment service.

How to Set up Payees/Payments

To begin using the service, complete Bill Payment enrollment through Online Banking. If you want to add a new payee, use the "Add a Payee" option under the "Payments" tab on the Bill Payment website or speak to a service representative. You may add a new payment to a Payee, only if the Payee is on your authorized list of payees, and by accessing the service and entering the appropriate information. Most other additions, deletions, or changes can be made in writing or by using the Bill Payment service. We reserve the right to refuse the designation of a Payee for any reason. Each Payee accepted by us will be assigned a payee code. You may pay any payee you wish in the United States. We are not responsible if a bill payment cannot be made due to incomplete, incorrect, or outdated information provided by you regarding a Payee or if you attempt to pay a Payee that is not on your Authorized Payee list.

The Bill Payment Process

Single Payments A single payment will be processed on the Business Day that you designate as the payment's Process Date, provided the payment is submitted prior to the daily cut-off time on that date. The daily cut-off time for bill payments is currently 2:00 pm Central time. A single payment submitted after the cut-off time on the designated Process Date will be processed on the following Business Day. If you designate a non-Business Day (generally weekends and certain holidays) as the payment's Process Date, the payment will be processed on the first Business Day following the designated Process Date.

Recurring Payments

When a recurring payment is processed, it is automatically rescheduled by the system. Based upon your selected frequency settings for the payment, a Process Date is calculated for the next occurrence of the payment. If the calculated Process Date is a non-Business Day (generally weekends and certain holidays), it is adjusted based upon the following rules:

If the recurring payment's "Pay Before" option is selected, the Process Date for the new occurrence of the payment is adjusted to the first Business Day prior to the calculated Process Date. If the recurring payment's "Pay After" option is selected (or if the "Pay Before" option is not available), the Process Date for the new occurrence of the payment is adjusted to the first business date after the calculated Process Date. Note: If your frequency settings for the recurring payment specify the 29th, 30th, or 31st as a particular day of the month for processing and that day does not exist in the month of the calculated Process Date, then the last calendar day of that month is used as the calculated Process Date.

For Single and Recurring Payments, the system will calculate the Estimated Arrival Date of your payment. This is only an estimate, so please allow ample time for each bill payment to reach the Payee. Any bill payment can be changed or canceled, provided you access the Bill Pay Service prior to the cut-off time on the Business Day prior to the Business Day the bill payment is going to be initiated. You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all bill payments requested, as well as, any other payment obligations you have to us. We reserve the right, without liability, to reject or reverse a bill payment if you fail to comply with this requirement or any other terms of this Agreement. If you do not have sufficient funds in the Account and we have not exercised our right to reverse or reject a bill payment, you agree to pay for such payment obligations on demand. You further agree that we, at our option, may charge any of your accounts with us to cover such payment obligations.

We reserve the right to change the cut-off time. You will receive notice if we make a change to the cut-off time.

Payment Methods

We reserve the right to select the method in which we remit your bill payment to the Payee. Bill payments may be processed by check or by Electronic Fund Transfer (EFT). Please see the Electronic Fund Transfers Disclosure Statement you received when you opened your account, if applicable, which discloses important information concerning your rights and obligations.

Fees First State Bank's Bill Payment service will be available to qualifying Online Banking customers at no charge for an unlimited number of transactions. While the service is available at no cost, there may be charges for supplemental, requested services as described below. These charges will only be assessed if you request one or more of the services listed here. There will be NO Charge for any item if needed to correct a First State Bank error.

Payment Fees will include:

- Person-to-Person (P2P) Fee: .75
- Overnight Fee: \$19.95
- Rush 2nd Day Check Fee: \$14.95

- Rush 2nd Day Electronic Fee: \$4.95
- Inactivity Fee: \$2.00
- Gift Check: \$2.99
- Charitable Donations Fee: \$1.99

We reserve the right to charge you for research time involving payments no longer available in your screen history. You will be informed of any such charges before they are incurred.

Liability

You are solely responsible for controlling the safekeeping of, and access to, your Online Banking Password, which is used to access the Bill Payment service. Please refer to the Security and Use of Your Password section of the Online Banking Agreement for further details. You are liable for all transactions you make or that you authorize another person to make even if that person exceeds his or her authority. If you want to terminate another person's authority, you must notify us immediately. You will be responsible for any bill payment request you make that contains an error or is a duplicate of another bill payment. We are not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment. We are not liable for any failure to make a bill payment if you fail to promptly notify us after you learn that you have not received credit from a Payee for a bill payment. We are not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be our agent. In any event, we will not be liable for any special, consequential, incidental, or punitive losses, damages, or expenses in connection with this Agreement or the service, even if we have knowledge of the possibility of them. We are 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 our reasonable control.

Change in Terms and Amendments

We may change any term of this Agreement at any time. If the change would result in increased fees for any Bill Payment services, increased liability for you, or stricter limitations on the frequency or dollar amount of transfers, we agree to give you notice at least 30 days before the effective date of any such change, unless an immediate change is necessary to maintain the security of an account or electronic funds transfer system. We will post any required notice of the change in terms on our website or forward it to you by e-mail or postal mail. If advance notice of the change is not required, and disclosure does not jeopardize the security of the account or our electronic fund transfer system, we will notify you of the change in terms within 30 days after the change becomes effective. Your continued use of any or all of the subject Bill Payment services indicates your acceptance of the change in terms.

Termination

This agreement continues in full force and effect until terminated. You may terminate this Agreement and your use of our Bill Payment services at any time by calling First State Bank at (402) 337-0323 or (877) 203-0063 or by sending a written termination notice to First State Bank, P.O. Box 725, Randolph, NE 68771-0725. You authorize us to complete any bill payments made before we have had a reasonable opportunity to act upon your termination notice. You remain obligated for any payments made by us on your behalf.

You agree that we may terminate this Agreement and your use of Bill Payment services at any time without cause or prior notice. We reserve the right to temporarily suspend the Bill Payment service in situations deemed appropriate by us, at 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 Password as an indication of attempted security breach.