

Grand Bank On-Line Banking Agreement

After reviewing the following Disclosures, Terms and Agreements and Privacy Statements, please complete the application following.

Disclosures

This Grand Bank (On-Line Banking) Agreement and Disclosure ("the Agreement") states the terms and conditions governing basic internet banking services (the "Services" or "On-Line Banking Services") offered by Grand Bank or any third party service providers. These terms and conditions are in addition to those that apply to any accounts you have with us or any other services you obtain from us or our third party providers. By using any of the On-Line Banking Services, you agree to abide by the terms and conditions of this Agreement. The terms "we", "us" and "our" and "Bank" refer to Grand Bank. "You" refers to each person who enrolls for On-Line Banking Services and has a PASSWORD (Personal Identification Number), and each person who accesses our internet banking services using your Password. The term "business days" means Monday through Friday, excluding Saturday, Sunday and Bank Holidays (Transfers made after 5:00 p.m. will be processed on the next business day). Your On-Line Banking Services and each of your accounts are also governed by the applicable Disclosure, Rates and Fee Schedules provided by the Bank in your New Account packet or in the supplemental agreements you accept with respect to specific on-line banking services, or as each may be modified from time to time. In the event of conflict between this disclosure and the Grand Bank Deposit Agreement in effect at the time, the Deposit Agreement will govern.

You are responsible for paying any fees associated with On-Line Banking as outlined in the "Fees and Services" brochure or in the supplemental agreements for specific on-line banking services, as well as any telephone charges or fees incurred by accessing On-Line Banking Services.

Your initial use of On-Line Banking Services constitutes your acceptance and agreement to be bound by all the terms and conditions of this Agreement and acknowledges your receipt and understanding of this Agreement.

The Bank is entitled to act on instructions received through On-Line Banking under your

Password and without inquiring into the identity of the person using your Password. You are liable for all transactions made or authorized using your Password. The Bank has no responsibility for establishing the identity of any person using your Password. If you give your Password to anyone, you do so at your own risk since anyone to whom you give your On-Line Banking Password or other means of access will have full access to your accounts even if you attempt to limit that person's authority. You must notify the Bank that your Password has been lost, stolen, or otherwise compromised and should not be honored and must be disabled. Call us immediately at (972) 735-1000 during normal banking hours. After hours you may send email through our website, or write us at Grand Bank, P.O. Box 700337, Dallas, TX 75370. **Do not include your Password in any correspondence.**

Quickly telephoning us is the best way of reducing your possible losses. If an account is jointly owned, one holder of the joint account can enroll for On-Line Banking Services with one Password issued. You may not designate any account that requires more than one signature for withdrawals. You are liable for all transactions that any of you make or authorize, even if the person you authorize exceeds your authorization.

We will not be liable for the following:

1. 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.
2. If any payment or transfer would go over the credit limit of your account.
3. If your equipment or ours was not working properly and the breakdown should have been apparent to you when you attempted to conduct the transaction.
4. 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.
5. 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.
6. If the money in the account from which a payment or transfer is to be made is subject to legal process or other claim which restricts the transaction.

7. If the transaction(s) you are requesting violate a law, rule, regulation or agreement to which the Bank is subject.
8. If circumstances or persons beyond our control prevent, delay, intercept or alter the transaction, despite reasonable precautions that we have taken.

You recognize that transmission of information and data via the internet is inherently insecure, and unauthorized persons may through "hacking" or otherwise access information allowing them to gather information about you or access your account(s). While the Bank will take reasonable precautions to implement and maintain security measures restricting access by unauthorized persons, the Bank cannot guarantee internet security. Further, you recognize that many of the On-Line Banking Services offered or to be offered by the Bank are in fact provided by third party service providers. While the Bank will take reasonable precautions to select qualified service providers, and seeks to obtain appropriate assurances of security and confidentiality from these service providers, the Bank cannot and does not guarantee the performance, suitability or security of these third party service providers. You agree that the Bank shall not be liable or responsible for any unauthorized access to data or information relating to you or your account(s) or any breach of the duties and obligations of such third party service providers unless such access or breach results solely from the Bank's gross negligence or willful misconduct.

You hereby release the Bank from any liability and agree not to make any claim or bring any action against us for honoring or allowing any actions or transactions where you have authorized the person performing the action or transaction to use your account(s) and/or you have given your Password to such a person, or, in the case of a jointly held account, such person is one of the owners of the account. You agree to indemnify the Bank and hold it harmless from and against any and all liability (including but not limited to reasonable attorney fees) arising from any such claims or actions.

The Bank has the right to modify or terminate this agreement at any time. Specifically, the Bank reserves the right to terminate this agreement for nonuse in accordance with its procedures, or in the event the Bank elects, in its sole and absolute discretion, to terminate its On-Line Banking Services. We will comply with any notice requirements applicable under law for such changes or termination.

If we terminate this Agreement, no further On-Line Banking transfers or bill payments, if

applicable, will be made, including but not limited to any payments or transfers scheduled in advance or any pre-authorized recurring payment or transfers. If we modify this Agreement, your continued use of On-Line Banking Services will constitute your acceptance of such changes in each instance. Persons will only be able to access accounts for which they are designated as "owner."

EXCLUSION OF WARRANTIES

THE BANK HAS NOT MADE, AND DOES NOT BY THIS AGREEMENT MAKE, ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. IN NO EVENT SHALL THE BANK OR ITS DIRECTORS, EMPLOYEES OR AGENTS BE LIABLE FOR ANY INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL LOSSES OR DAMAGES INCLUDING, WITHOUT LIMITATION, LOSS OF USE, LOSS OF PROFITS, OR CLAIMS OF THIRD PARTIES, WHETHER OR NOT THE POSSIBILITY OF SUCH LOSSES OR DAMAGES WAS KNOWN OR SHOULD HAVE BEEN KNOWN BY THE BANK. THE BANK, AND ITS DIRECTORS, EMPLOYEES AND AGENTS ARE NOT AND SHALL NOT BE LIABLE FOR THE ACTS OR OMISSIONS OF ANY THIRD PARTY, INCLUDING THE THIRD PARTY SERVICE PROVIDERS PROVIDING OR WHO WILL PROVIDE THE ON-LINE BANKING SERVICES CONTEMPLATED HEREBY.

Password and Security

You agree not to give or make available your On-Line Banking password or other means to access your account to any unauthorized individuals. If you permit other persons to use the On-Line Banking Services or your On-Line Banking password or other means to access your account, you are responsible for any transactions they authorize. If you believe that your On-Line Banking password or other means to access your account has been lost or stolen or that someone may attempt to use the On-Line Banking Services without your consent or has transferred money without your permission, you must notify Grand Bank at once by calling 972-735-1000 during normal customer service hours.

Business Accounts

1. If you are a business, any authorized representative of your business is authorized on such terms, conditions, and agreements as we may from time to time require to:

enter into this Agreement, as amended from time to time;
access your account in any manner and for any purpose available through the Service, whether now available or available at some time in the future; and
use any On-Line Banking service in any manner and for any purpose available through On-Line Banking, whether now available or available at some time in the future.

2. You are responsible for the actions of your representatives and employees. The Bank is not responsible for any fraud, embezzlement or other misuse of On-Line Banking services provided under this Agreement.

Electronic Fund Transfer Provisions For Consumers

1. Applicability. These provisions are only applicable to online electronic fund transfers that credit or debit a consumer's checking, savings or other asset account and are subject to the Federal Reserve Board's Regulation E (an "EFT"). When applicable, the Bank may rely on any exceptions to these provisions that are contained in Regulation E. All terms that are not defined in this Agreement but which are defined in Regulation E shall have the same meaning when used in this section.

2. Your Liability. The following determines your liability for any unauthorized EFT or any series of related unauthorized EFTs:

(a) If you tell us within two (2) business days after you discover your On-Line Banking Password or other means to access your account has been misappropriated, lost or stolen, you can lose no more than \$50.00 if someone uses your On-Line Banking Password or other means to access your account without your permission. If you do not tell us within two (2) business days after you learn of such misappropriation, loss or theft, and we can prove that we could have prevented the unauthorized use of your On-Line Banking password or other means to access your account if you had told us, you could lose as much as \$500.00.

(b) If your monthly statement contains transfers that you did not make, tell us at once. You agree to examine your statement with reasonable promptness. You agree that the

time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you. You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 60 days of when we first send or make a statement available, you cannot assert a claim against us on any item in that statement. Refer to the Grand Bank Account Deposit Agreement Terms and Conditions.

Errors and Questions

In case of errors or questions about your transactions, you should as soon as possible:

1. Telephone us at 972-735-1000 during normal customer service hours; or,
2. e-mail GRANDBANKING@GBTX.COM or
3. Write us at: Grand Bank PO Box 700337, Dallas, TX 75370

If you think that your statement is wrong or you need more information about a transaction listed on the statement, we must hear from you no later than sixty (60) days of when we sent or made available the statement on which the problem or error appeared.

You must:

1. Tell us your name and account number;
2. 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; and
3. Tell us the dollar amount of the suspected error and the date the error occurred.

If you tell us verbally, we may require that you send your complaint in writing within ten (10) business days after your verbal notification. 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) days to investigate the complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) business days for the amount you think is in error, so that you may have use of the money during the time it takes us to complete our investigation.

If we ask you to put your complaint in writing and we do not receive it within ten (10) business days, we may not provisionally credit your account. If we decide there was no error, we will mail you a written explanation within three (3) business days after we finish the investigation. You may ask for copies of documents which we used in our investigation. The Bank may revoke any provisional credit provided to you, if we find that an error did not occur, and you will reimburse us for any provisional credit you have withdrawn upon demand.

Disclosure of Account Information to Third Parties

It is our policy to not disclose information about you to anyone, except as permitted by law. The law would permit disclosure of information to third party service providers providing or facilitating one or more of the On-Line Banking Services who contractually agree to provide appropriate confidentiality safeguards. See our Privacy Policy.

Charges

Any applicable fees will be as published and listed in the Grand Bank Schedule of Fees and Charges or on any other supplemental schedules of fees and charges established or maintained by the Bank, as such fees and charges may be amended from time to time by the Bank. There may be a charge for additional transactions and other optional services. You agree to pay such charges and authorize the Bank to charge your designated account for these amounts and any additional charges that may be incurred by you. Any fees associated with your standard deposit accounts will continue to apply. You are responsible for any and all telephone access fees and/or Internet Service fees that may be accessed by your telephone and/or internet service provider.

Alterations and Amendments

This Agreement, applicable fees and service charges may be altered or amended by the Bank from time to time. In such event, the Bank shall send notice to you at your address as it appears on our records, or the Bank may notify you by publication on its website which will be available to you when you access your On-Line Banking Services. Any use of the On-Line Banking Services after we send you the notice of or publish the change

will constitute your agreement to such change(s). Further, the Bank may, from time to time, revise or update the programs, services, and/or related material, which may render all such prior versions obsolete. Consequently, the Bank reserves the right to terminate the Agreement as to all such prior versions of the programs, services, and/or related material and limit access to our more recent versions and updates.

Address or Banking Changes

You agree to promptly notify in writing the Customer Service Department of any address change. Additionally, you agree to notify the Customer Service Department in writing at least ten (10) business days in advance of any change in your banking status.

Termination or Discontinuation

In the event you wish to discontinue use of the On-Line Banking Services, you must contact the Customer Service Department in writing. Such notice of service discontinuation must be supplied ten (10) days prior to the actual discontinuance date and must be sent to:

Grand Bank
PO Box 700337
Dallas, TX 75370

The Bank reserves the right, in its sole and absolute discretion, to terminate the On-Line Banking Services to you at any time and/or revoke your right to use software. Neither termination nor discontinuance shall affect your liability or obligations under this Agreement.

Disputes

In the event of a dispute regarding On-Line Banking and the On-Line Banking Services, you and the Bank agree to resolve the dispute by looking to this Agreement. You agree that this Agreement, together with the Deposit Agreement and any supplemental agreement relating to a particular On-Line Banking Service, is the complete and exclusive statement of the agreement regarding On-Line Banking Services between you

and the Bank, which supersedes any proposal or prior agreement, oral or written, and any other communication between you and the Bank relating to the subject matter of this Agreement. Any and all claims, demands, disputes or controversies of every kind and nature between us arising out of relating to this Agreement, its construction, alleged performance or alleged breach, which is not otherwise settled by agreement between us, shall be submitted to, determined and decided by arbitration, held in Dallas, Texas. We agree and hereby instruct the arbitrator(s) in any such arbitration to limit the award to direct damages and not to award any punitive, exemplary, consequential or incidental damages. Nothing herein shall preclude either party from seeking injunctive or other extraordinary relief in the event of a breach or threatened breach of this Agreement in order to prevent irreparable harm.

Assignment

You may not assign this Agreement to any other party.

No Waiver

The Bank shall not be deemed to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions.

Captions

The captions of sections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

Governing Law; Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of law provisions. This Agreement is performable in Dallas County, Texas, and any action or proceeding filed hereunder or with respect hereto shall be brought in, and each party hereto hereby submits to the

jurisdiction of, federal or state courts sitting in Dallas County, Texas.

Grand Bank is chartered under the laws of the State of Texas and by state law is subject to regulatory oversight by the Texas Department of Banking. Any consumer wishing to file a complaint against the Bank should contact the Texas Department of Banking through one of the following means indicated below:

In Person or U.S. Mail:

Texas Department of Banking
2601 North Lamar Boulevard, Suite 300
Austin, TX 78705-4294

Telephone Number 1-877-276-5554 (toll free)

Fax Number 512-475-1313

E-Mail Address Consumer.complaints@dob.texas.gov

ADDENDUM TO GRAND BANK ON-LINE BANKING AGREEMENT OPTION TO ADD BILL PAYMENT SERVICES

You can choose to add the Bill Payment Service to the Grand Banking Anytime On-Line Banking Services by electing to use this service. This service offers the following features:

Make one-time or recurring payments on-line to companies or individuals (payees) you select.

Choose to make the payment electronically (if available on data base) or by paper check. Payments made by paper-check on-line will be deducted from your account when the payment is authorized by you (payments must be made five to seven (5-7) business days prior to the due date excluding grace days, or holidays).

Grand Banking Anytime On-line Banking Bill Payment Processing:

Bill payments made through the Grand Banking Anytime Bill Payment service are processed in one of two ways:

Electronic Transmission – Payments made electronically are processed the same business day if the request is made before 12:00 Noon CST (excluding holidays and weekends) and require a lead-time of three (3) business days.

Paper Check – Payments made by check are processed the same business day if the request is made before 12:00 Noon CST (excluding holidays and weekends) and require a lead-time of five to seven (5-7) business days.

Bill Payment Terms and Conditions:

The Bank hereby publishes the following terms and conditions for your use of bill payment services. The Bank reserves the right to modify these terms and conditions at any time, effective upon publication. Your use of bill payment services constitutes your agreement to these terms and conditions and any modifications thereof:

You agree to accurately follow product use instructions and procedures.

You agree to schedule paper check bill payments at least five to seven (5-7) business days prior to the due date (excluding grace period, holidays or weekends).

You agree to provide correct payee name, address, account information and payment amount.

You agree to pay the Bank's charges and fees for providing bill payment services in accordance with the Bank's published fee schedule, as amended from time to time.

You agree to maintain sufficient funds in your Funding Account.

You agree to notify the Bank promptly of any suspected problem or error.

You agree that Bank is not responsible for any "virus" that may be downloaded from the Grand Banking On-Line Banking Web Site.