

EFFECTIVE JUNE 27, 2016

E-STATEMENTS TERMS AND AGREEMENT

This is your eStatement agreement with Minnesota Lakes Bank (the Bank). The terms and conditions of this Agreement are in addition to the Account agreements, disclosures and other documents in effect from time to time governing your Account, including but not limited to the Online Access Agreement and Disclosure Statement.

Electronic Delivery of Statements and Notices

By completing this consent agreement (Agreement) you agree to permit Minnesota Lakes Bank ("The Bank") to make disclosures and provide notices to you in electronic form, instead of providing such notices and disclosures in written form.

Your consent and agreement shall relate to all forms of disclosures and notices required under applicable law as a result of the various agreements between you and the Bank and shall remain valid until such time as you exercise your right to revoke this consent. You elect and authorize us, at our discretion, to electronically deliver your account statement(s) and notices that we are required to provide you under applicable Federal and State statutes and their implementing regulations, as amended from time to time.

Other Federal and State laws and regulations ("laws") may be enacted or amended in the future to provide for electronic delivery of account statements and notices. Your election also authorizes us, at our discretion, to provide electronic delivery of such statements and notices pursuant to these laws after they become effective.

Terms and Conditions of Your Electronic Statement Agreement

By entering into this Agreement, you accept all the terms and conditions contained in the agreement. Please read it carefully.

The terms and conditions of the Account Agreement and Disclosure for each of your bank accounts as well as your other agreements with the Bank such as loans continue to apply notwithstanding anything to the contrary in this Agreement.

This Agreement is also subject to applicable federal laws and the laws of the State of Minnesota. If any provision of this Agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. The headings in this Agreement are for convenience or reference only and will not govern the interpretation of the provisions. Any waiver (expressed or implied) by either party of any default or breach of this Agreement must be in writing and shall not constitute a waiver of any other or subsequent default or breach. You may not assign this Agreement. This Agreement is binding upon your heirs and the Bank's successors and assigns. Certain of the obligations of the parties pursuant to this Agreement that by their nature would continue beyond the termination, cancellation or expiration of this Agreement shall survive termination, cancellation or expiration of this Agreement.

Definitions

"We", "Our", "Us" or "The Bank" mean Minnesota Lakes Bank.

"You" and "your" refer to the account owner(s) authorized by the Bank to receive eStatements under this Agreement.

"Account" or "accounts" means your accounts at the Bank.

"Business days" means any calendar day other than Saturday, Sunday, or any holidays recognized by the Bank.

Consent to Electronic Delivery of Account Statements, Notices and Disclosures

You have the right to receive monthly, printed Account Statements mailed to your mailing address of record. By entering into this Agreement, you understand that the Bank will cease providing you with printed statements in the mail, and that all future Account Statements will be maintained on a website that you may access to obtain, review, print and otherwise copy/download your periodic statements.

Your consent and agreement shall also relate to all forms of disclosures and notices required under applicable law as a result of the various agreements between you and the Bank and shall remain valid until such time as you exercise your right to revoke this consent. The bank will, at its discretion, provide you with important notifications regarding your account including routine notices, change in terms, periodic disclosures, and other documents in electronic format.

You understand that if you decide in the future that you would like to receive printed statements or other account related documents in the mail instead of electronically, you agree to notify the Bank in person, via telephone, or via U.S. Mail. Our telephone number and postal mail address are listed below in the section entitled "Communications between the Bank and You." There will not be a charge if you elect to cancel your eStatement enrollment. Other account services fees may apply. Refer to our current fee schedule or ask Minnesota Lakes Bank Customer Service Representative for applicable fees.

You agree that any notice or other type of communication provided to you pursuant to the terms of this Agreement, and any future disclosures required by law, including electronic fund transfer disclosures, may be made electronically via e-mail, notice with instructions/links or via an e-mail with attached disclosures.

E-Mail Address Requirement

We will send all notices, attachments and/or documents via e-mail to the last known e-mail address provided by you. You agree to notify us promptly in writing (by letter sent via U.S. Mail) or by calling us at 763-972-3385, of any change of your e-mail address. You may also update your e-mail address by modifying your user profile in our Online Banking Service. For your protection and for security purposes, we will not accept any change of e-mail address notices via e-mail.

If you have not notified us in writing of any change of your e-mail address, you agree that your failure to provide us with a good e-mail address is the lack of ordinary care on your part. If we become aware that you are not receiving e-mail, we will send all notices, attachments and/or documents to you via U.S. Mail to your last address known to us. If you elect to continue to receive documents electronically, you will need to re-enroll in the service and once again consent to the terms of this agreement.

Security

You understand the importance of your role in preventing misuse of your accounts and you agree to promptly examine your eStatement for each of your Minnesota Lakes Bank accounts as soon as you receive/access it. You agree to protect the confidentiality of your account and account number, and your user ID and password. You understand that your user ID and password by itself or together with information related to your account, may allow unauthorized access to your account. Data transferred via eStatement is not encrypted. You acknowledge that the Internet is inherently insecure and that all data transfers, including electronic mail, occur openly on the Internet and potentially can be monitored and read by others. We cannot and do not warrant that all data transfers utilizing the Internet, or e-mail transmitted to and from us, will not be monitored or read by others.

Password Security. For security reasons, we will require the use of an individualized password to gain access to your Minnesota Lakes Bank eStatements. ***If you incorrectly enter your password three times you will be prevented from access to eStatements.*** If you are prevented access due to incorrect password, please contact us at 763-972-3385.

Your logon password is confidential information that should be known only by you. Minnesota Lakes Bank will not, for any reason, ask for your logon password. ***If anyone contacts you and requests this information, contact us immediately.*** You are responsible for keeping your logon password confidential.

Periodic Statements

By enrolling to receive eStatements, you will not receive a separate printed and mailed statement.

Your eStatement will be dated the day of the e-mail notifying you of the availability of your eStatement (the "E-mail Date"). You must promptly access/review your eStatement and any accompanying items and notify us in writing within the applicable time period specified in your Account Agreement and Disclosure of any error, unauthorized signature, lack of signature, alteration or other irregularity. If you allow someone else to access/review your statement, you are still fully responsible to access/review the statement for any errors, unauthorized signatures, lack of signatures, alterations, or other irregularities. ***Any applicable time periods within which you must notify us of any errors on your account statement(s) shall begin on the E-mail Date regardless of when you receive and/or open the eStatement.***

If you need to obtain a printed copy of a statement that has not been mailed to you because you have enrolled to receive eStatements instead, please call the Bank at 763-972-3385. Research or copy fees may apply. Refer to our current fee schedule or ask Minnesota Lakes Bank Customer Service Team for applicable fees.

Change in Terms

We may change any term of this Agreement at any time. If the change would result in increased fees for any bank service, or increased liability for you, 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 our electronic fund transfer system. We will provide any required notice of the change in terms to you by e-mail or by 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. ***If there is more than one party to the account, notice to any one-account owner will be effective for all.*** We reserve the right to waive, reduce or reverse charges or fees in individual situations. You acknowledge and agree that the applicable Deposit Agreements and Disclosures govern changes to fees applicable to specific accounts.

Disclaimer of Warranty and Limitation of Liability

We make no warranty of any kind, expressed or implied, including any implied warranty of merchantability or fitness for a particular purpose, in connection with the eStatements provided to you under this Agreement. We do not and cannot warrant that eStatements will operate without error, or that eStatements will be available at all times. Except as specifically provided in this Agreement, or otherwise required by law, you agree that our officers, directors, employees, agents or contractors are not liable for any indirect, incidental, special or consequential damages under or by reason of any services or products provided under this Agreement or by reason of your use of eStatements, including loss of profits, revenue, data or use by you or any third party, whether in an action in contract or tort or based on a warranty or any other legal theory. Further, in no event shall the liability of the Bank and its affiliates exceed the amounts paid by you for the services provided to you through eStatements.

Communications between the Bank and You

Unless this Agreement provides otherwise, you can communicate with us in any one of the following ways:

Telephone: You can contact us by telephone at: 763-972-3385

Postal Mail: You can write to us at:

Minnesota Lakes Bank
710 Babcock Blvd
P.O. Box 700
Delano, MN 55328

Hardware and Software Requirements

To use MNLB Online Banking and other electronic services, you will need internet access and an internet browser that supports Secure Socket Layer with 128-bit encryption. MNLB Online Banking also requires that each user's browser have a minimum configuration to accept "cookies" and JavaScript enabled.

MNLB Online Banking supports the following browsers on a Windows operating system: Internet Explorer (v. 7.0 or higher); Google Chrome; Firefox (v. 1.0 or higher); and Opera (v. 7.54 or higher).

MNLB Online Banking supports the following browsers on a Mac operating system: Firefox (v. 1.0 or higher); Opera (v.7.54 or higher) and Safari (v. 4.0 or higher).

You are responsible for any defect, malfunction or interruption in service or security due to hardware failure, your choice of Internet service provider, or your choice of systems and computer services.

Minnesota Lakes Bank is not responsible for any electronic virus that you may encounter using the "MNLB Online Banking" Services. We encourage you to routinely scan your computer and diskettes using a reliable virus protection product to detect and remove viruses. If undetected and unrepaired, a virus can corrupt and destroy your programs, files and hardware.

To access, download, and print eStatements, you need to have a personal computer with Internet and email access. You must also have Adobe Acrobat Reader 5.0 or higher. To download a free copy of Adobe Acrobat Reader, please go to <http://www.adobe.com>.

You are responsible for any defect, malfunction or interruption in service or security due to hardware failure, your choice of Internet service provider, or your choice of systems and computer services.

Minnesota Lakes Bank is not responsible for any electronic virus that you may encounter using the "Online Banking" Services. We encourage you to routinely scan your computer and diskettes using a reliable virus protection product to detect and remove viruses. If undetected and unrepaired, a virus can corrupt and destroy your programs, files and hardware.

ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Electronic Fund Transfers Initiated By Third Parties - You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and financial institution information. This information can be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your financial institution and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits** - You may make arrangements for certain direct deposits to be accepted into your checking or savings.
- **Preauthorized payments** - You may make arrangements to pay certain recurring bills from your checking or savings.
- **Electronic check conversion** - You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check charge** - You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check is returned for insufficient funds.

Telephone Banking Transactions - types of transactions - You may access your account by telephone using your account number(s), personal identification number (PIN), social security number and touch tone phone to:

- transfer funds from checking, savings to checking, savings, loans
- make payments from checking, savings to loans
- get balance information about checking, savings, certificate of deposit, line of credit or loans
- get withdrawal history about checking, savings, certificate of deposit or line of credit
- get deposit history about checking, savings, certificate of deposit or line of credit
- get transaction history about checking, savings, certificate of deposit, line of credit or loans

You may access your account for telephone transactions at the following number(s) and during the following hours:

- (866) 891-6384 (24/7)

Debit Card ATM transactions - types of transactions - You may access your account(s) by ATM using your Debit Card and your personal identification number (PIN) (as applicable) to:

- deposit funds to checking or savings
- withdraw cash from checking or savings
- transfer funds from checking, savings to checking, savings
- make payments from checking, savings to loans
- get balance information about checking or savings

Some of these services may not be available at all terminals. Transaction Limits apply. See your Minnesota Lakes Bank Customer Care Team for details.

Debit Card point-of-sale transactions - types of transactions - You may access your checking account(s) using your Debit Card to do transactions that participating merchants will accept, including:

- purchase goods in person, by phone, or online
- pay for services in person, by phone, or online
- get cash from a participating merchant or financial institution

Transaction Limits apply. See your Minnesota Lakes Bank Customer Care Team for details.

Currency Conversion and International Transactions - When you use your VISA® debit card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by VISA® from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA® itself receives, or the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by the issuer. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

Advisory Against Illegal Use - You agree not to use your Debit Card for illegal gambling or other illegal purposes. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in the jurisdiction in which you may be located.

MNLB Online Banking - types of transfers - You may access your accounts at www.mnlakesbank.com and using your User Code, Personal Identification Number (PIN), and Passphrase to:

- transfer funds from checking, savings to checking, savings
- make payments from checking, savings to loans
 - (Some payments made by paper check will not be subject to this Electronic Fund Transfers disclosure, as disclosed separately.)
- get balance information about checking, savings, certificate of deposit, line of credit or Loans
- get withdrawal history about checking, savings, certificate of deposit or line of credit
- get deposit history about checking, savings or certificate of deposit
- get transaction history about checking, savings, certificate of deposit, line of credit or loans

Bill Pay - types of transfers -

You may access this service by computer at www.mnlakesbank.com and using your user name and password and account number(s).

You may access this service to:

- make payments from your checking account(s) to payees.
 - (Some payments made by paper check will not be subject to this Electronic Fund Transfers disclosure, as disclosed separately.)

Limits and fees - Please refer to our fee disclosure for information about fees and limitations that may apply to these electronic fund transfers.

ATM Operator/Network Fees - When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

Security limitations - For security reasons, there are other limits on the number of transfers you can make using our terminals, telephone bill-payments service, point-of-sale transfer service and computer transaction service.

Termination - You may terminate the electronic fund transfer agreement by giving us written notice. For transfers you preauthorize with a third party, you should revoke authorization by appropriate notice to the third party. We may terminate the electronic fund transfer agreement by giving you written notice.

Documentation

Terminal transfers - You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.

Preauthorized credits - If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company:

- the person or company making the deposit will tell you every time they send us the money.
- you can call us at (763)972-3385 to find out whether or not the deposit has been made.

Periodic statements - You will get a monthly account statement from us for your checking account(s).

You will get a quarterly account statement from us for your savings account(s), if the only possible electronic transfers to or from the account are preauthorized credits. You will get a monthly account statement from us for your savings account(s), unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

Preauthorized Payments

Right to stop payment and procedure for doing so - If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Notice of varying amounts - If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made 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 that you set.)

Liability for failure to stop payment of preauthorized transfer - If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Financial Institution's Liability

Liability for failure to make transfers - If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- 1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- 2) If you have an overdraft line and the transfer would go over the credit limit.
- 3) If the automated teller machine where you are making the transfer does not have enough cash.
- 4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.

- 5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- 6) There may be other exceptions stated in our agreement with you.

Confidentiality

We will disclose information to third parties about your account or the transfers you make:

- 1) where it is necessary for completing transfers; or
- 2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- 3) in order to comply with government agency or court orders; or
- 4) as described in our privacy policy disclosure, provided separately.

Unauthorized Transfers

1) Consumer liability.

- a) Generally. Tell us AT ONCE if you believe your card and/or code has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account (plus your maximum overdraft line of credit). We will be liable for all unauthorized transfers unless the unauthorized transfer was due to the loss or theft of your card and/or code. If due to the loss or theft of your card and/or code, and you notify us within 60 days of when the unauthorized transfer appears on the statement you can lose no more than \$50.00 if someone used your card and/or code without permission.

If you do NOT notify us within 60 days after the unauthorized transfer appears on your statement, and we prove that we could have stopped someone from using your card and/or code without your permission if you had told us within 2 days of when you discover the loss or theft of your card and/or code, you could lose as much as \$500.00 for unauthorized transfers that appear on the statement.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time period.

- b) Additional Limit on Liability for VISA® card. Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen VISA® card. This additional limit on liability does not apply to ATM transactions, or to transactions using your Personal Identification Number which are not processed by VISA®.
- 2) **Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen, call or write us at the telephone number or address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check without your permission.

Right to Bring Civil Action

You may bring a civil action against any person violating any provision of Minnesota Statutes section 47.69 (governing consumer privacy and unauthorized withdrawals). If you prevail in such an action, you may recover the greater of your actual damages or \$500.00. You may also be entitled to recover punitive damages, your court costs and reasonable attorney's fees.

Point-Of-Sale Transactions

Payment for goods or services made in this manner shall not affect any of the rights, protections or liabilities in existing law concerning a cash or credit sale by means other than through the use of a terminal. You cannot reverse a point-of-sale transaction.

Error Resolution Notice

In Case of Errors or Questions About Your Electronic Transfers, call us at (763) 972-3385 or write to us at 710 Babcock Boulevard, P.O. Box 700, Delano, MN 55328, 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 or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- 1) Tell us your name and account number (if any).
- 2) Describe the error or the 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.
- 3) Tell us the dollar amount of the suspected error. 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 10 business days (5 business days if the transfer involved a point-of-sale transaction and 20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days if the transfer involved a point-of-sale transaction and 20 business days if the transfer involved a new account) 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 in writing and we do not receive it within 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 the account is opened. We will tell you the results within three 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.

If you have inquiries regarding your account, please contact us at:

Minnesota Lakes Bank
710 Babcock Boulevard
P.O. Box 700
Delano, MN 55328
BUSINESS DAYS: Monday, Tuesday, Wednesday, Thursday and Friday
Holidays are not included.

PHONE: (763)972-3385