



## Internet Banking Agreement

This agreement represents the terms and conditions of the 1<sup>st</sup> National Bank's Internet (Online) Banking program with you, our client. Please read the agreement carefully and keep a copy for your records.

**Agreement:** This Internet Banking Access Agreement contains the terms that govern your use of 1<sup>st</sup> National Bank's Online Banking services. You may use Online Banking to access your accounts through the Internet. By using Online Banking to access an account you are agreeing to the terms of this Agreement. Examples of accounts that you may elect to access include deposit accounts and loans. Your accounts will continue to be subject to the agreements otherwise governing them, except where it is noted in the agreement. Additionally, each account will be subject to the following:

- The terms or instructions appearing on a screen when using Online Banking.
- 1<sup>st</sup> National Bank's rules, procedures and policies are applicable to each account.
- All applicable state and federal laws and regulations.

**Access to Eligible Accounts:** You may access an account to the 1<sup>st</sup> National Bank website at [www.fnbhenning.com](http://www.fnbhenning.com) (called "Website") to obtain balances, transaction history and other information. To access an account you must have a password and the required hardware and software. Subject to the terms of this Agreement, you will generally be able to access your accounts through our website seven days a week, 24 hours a day. A transfer completed through Online Banking before the transfer cutoff time on a business day will be posted to your eligible account the same day. All transfers completed after the transfer cutoff time on a business day or on a day that is not a business will be posted on the next business day. The transfer cutoff time is 2:00 p.m. Central Standard Time. Everyday is a business day except for Saturdays, Sundays, and federal holidays.

At certain times an Internet Banking service may not be available due to system maintenance or circumstances beyond our control. During these times, you may use our Express Banking or any automated teller machine (ATM).

**Electronic Mail (E-mail):** One way to communicate with us is by sending e-mails. Our website and Online Banking have provided an e-mail link for you to ask questions about your account(s) or give comments on our service. To ensure the security of your account information, we recommend that you don't indicate any personal information (account numbers, social security, etc.) in your comments. You cannot use e-mail to initiate transactions on your accounts. For transactions, please use the appropriate functions within Online Banking or call 218-583-2933.

**Internet Banking Service:** With respect to your account, services offered include obtaining balance information, transaction history and other information. In some instances balances and transaction history may only reflect activity conducted through the close of the previous business day. 1<sup>st</sup> National Bank may from time to time introduce new Internet Banking services. When this happens we will update our website to include them. By using the Internet Banking service you agree to be bound by the terms contained in this agreement at this time.

**Linked Eligible Accounts:** All accounts will be linked by means of the tax identification numbers and the ownership for the persons who are authorized to access the account.

**Authorized Representatives for Business Accounts:** If you are a business customer, any authorized representative of your business is authorized on such terms, conditions and agreements as we require you to enter into this agreement, and may be amended from time to time.

- Access each account of your business in any manner and for any purpose available now or at some time in the future; and
- Use any Internet Banking service in any manner and for any purpose available now or available at some time in the future.

**Electronic Fund Transfer Provision for Consumers:**

- Applicability:** The provision in this section applies only to electronic funds transfers that debit or credit a consumers checking, savings, or other asset account and are subject to the Federal Reserve Board's Regulation E (an EFT). 1<sup>st</sup> National Bank may, when applicable, rely on any exceptions to the provisions in this section that are contained in Regulation E. All terms not otherwise defined in this agreement which are defined in Regulation E will have the same meaning when used in this section.
- Your Liability:** Your liability for an unauthorized EFT or a series of related unauthorized EFT's will be determined as follows.
  - a. If you notify us within two business days after learning of the loss or theft of our password, your liability will not exceed the lesser of \$50.00 or the amount of unauthorized EFT's that occur before notice to us.
  - b. If you fail to notify us within two business days after learning of the loss or theft of your password, your liability will not exceed the lesser of \$500.00 or the sum of the following:
    - i. \$50.00 or the amount of unauthorized EFT's that occur within the two business days, whichever is less; and

- ii. The amount of unauthorized EDT's that occur after the close of two business days and before notice to us, provided we establish that the EFT's would not have occurred had you notified us within that two day period.
- c. You must report an unauthorized EFT that appears on a periodic statement within 60 days of our transmittal of the statement to avoid liability for subsequent transfers. If you fail to do so, your liability will not exceed the amount of the unauthorized EFT's that occur after the close of the 60 days and before notice to us, and that we establish it would not have occurred had you notified us within the 60 day period. You may, when applicable, also be liable for the amounts described in the immediately preceding sections 1 or 2 above.
- d. If your delay on notifying us is due to extenuating circumstances, we will extend the times specified in the immediately preceding paragraphs 1,2 and 3 above to a reasonable period.
- e. You may notify us in person, by telephone or by e-mail during a secure session using the appropriate form or in writing.

C. **Telephone Number and Address:** The telephone number and address to notify when you believe that an unauthorized EFT has been or may be made are:

First National Bank	First National Bank
PO Box 96	PO Box 38
Henning, MN 56551	Battle Lake, MN 56515
218-853-2933	218-864-5275

- D. **Error Resolution:** Telephone or write us at the corresponding office listed above as soon as you can if you suspect your statement or receipt is wrong or if you need more information about a transfer listed on a 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. Include the following information for error resolution:
- a. Tell us your name and account number.
  - b. Describe the error or the transfer you are unsure about and explain as clearly as possible and why you believe it is an error or why you need more information.
  - c. Tell us the dollar amount of the suspected error.

If you tell us verbally we may require that you send us your complaint or question in writing within ten business days.

We will determine whether an error occurred within ten business days after we hear from you and will correct any error promptly. If we need more time however, we may take up to 45 days to investigate your complaint or question or 90 days for new accounts, point of sale debit card transactions or foreign initiated transaction. If we decide to do this, we will credit your account within ten business days (5 business days for Visa point of sale debit card transactions) for the amount you think is in error or 20 business days for new accounts, so that you may use the money during the time it takes to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten business days we may not credit your account.

We will tell you the results within three (3) business days after completing our investigation. If we decide no error occurred, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

- E. **Security:** You will be given an assigned user ID and a temporary password that will allow you access to your accounts. This password will need to be changed on your initial login. Due to the increased need for security, passwords need to be a minimum of 6 digits in length and must contain at least one numeric character. It can be a combination of alpha, numeric, uppercase, lowercase and special characters.

We recommend that you change your password regularly. We are entitled to act on instructions received under your password. For security purposes, it is recommended that you memorize the password and do not write it down or have your computer store it. You are responsible for keeping your password and account information confidential. If you believe your password may have been lost or stolen, or that someone has transferred or may transfer money from your account, notify 1<sup>st</sup> National Bank by calling 218-853-2933 or write at 1<sup>st</sup> National Bank – PO Box 96 Henning MN, 56551 or e-mail at: customerservice@fnbhenning.com.

- F. **Liability:**
- a. **Our Liability:** Our liability to you is explained in any agreements, notices, and disclosures that we separately provide to you from time to time regarding your accounts. This section explains our liability to you only to the extent that our liability has not been separately disclosed to you by any of these agreements, notices, or disclosures. Under no circumstances will we have any liability to you for failing to provide you access to your accounts through Internet Banking. Furthermore, unless otherwise required by applicable law, we will only be responsible for performing Internet Banking service as expressly stated in the agreement, and will only be liable

for material losses incurred by you to the extent such losses directly resulted from our gross negligence or intentional misconduct in performing the Internet Banking services.

IN NO EVENT WILL WE HAVE LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE WHETHER OR NOT ANY CLAIM FOR SUCH DAMAGES IS BASED ON TORT OR CONTRACT OR WE KNEW OR SHOULD HAVE KNOWN THE LIKLIHOOD OF SUCH DAMAGES IN ANY CIRCUMSTANCES.

We will not be obligated to honor, in whole or in part, any transaction or instruction which:

- Is not in accordance with any term or conditions applicable to the relevant Internet Banking service or account.
  - We have reason to believe it may not be authorized by you or any third person whose authorization we believe is necessary to involve funds subject to a hold, dispute, restriction or legal process we believe prevents their withdrawal;
  - Would result in us exceeding any limitation of our intra-day net funds position established pursuant to present future Federal Reserve guidelines;
  - Would violate any applicable provision of any risk control program of the Federal Reserve of any applicable rule or regulation of any other federal or state regulatory authority;
  - Is not in accordance with any other requirement of our applicable policies, procedures or practices; or
  - We have reasonable cause not to honor for our or your protection.
- b. Indemnification: Except to the extent that we are liable under the terms of this agreement or an agreement that otherwise governs your account, if you are an owner of an account, you agree to indemnify and hold us, our directors, officers, employee and agents harmless from all loss, liability, claims, demands, judgments, and expenses arising out of or in any way connected with an account or the performance of an Internet Banking service. This indemnification is due to the use of our service by you and your authorized representative.
- c. Third parties: Except as specifically provided in the agreement or where applicable law requires a different result, neither we, nor our service providers or other agents will be liable for any loss or liability resulting in whole or in part from any act or failure to act of your equipment or software, or that of an Internet browser provider such as Netscape (Netscape Navigator browser), or Microsoft (Microsoft Explorer browser), by an Internet access provider, by any of them, not will our service providers or other agents be responsible for any direct, indirect, special or consequential, economic, or other damages arising in any way out of your access to or use of, or failure to obtain access to Internet Banking service.

**General Provision:**

- A. **Termination:** Unless otherwise required by applicable law, First National Bank may terminate this agreement and/or your access to any Internet Banking service through our service, in whole or in part, at any time.

Access to the Internet Banking service, in whole or in part, may be reinstated by us, at our discretion, at any time. If reinstated, the then current term of the agreement will control. You may request reinstatement of Internet Banking service by calling customer service.

If you do not access your eligible accounts via our service for any three (3) month period, we may terminate your service. If you wish to cancel any of our Internet Banking services, contact us at 218-583-2933 or send cancellation instructions in writing to First National Bank – PO Box 96 – Henning, MN 56551 or [customerservice@fnbhenning.com](mailto:customerservice@fnbhenning.com).

- B. **Changes:** Except as otherwise require by law, rule or regulation, we may change the terms of the agreement from time to time. When changes are made we will update this agreement as the Website. The Website will be updated on the effective date, unless an immediate change is necessary to maintain the security of the system or unless a law, rule or regulation requires that it be updated at an earlier time. If such a change is made, this agreement will be updated within thirty (30) days after the change. As always, you may choose to accept or decline changes by continuing or discontinuing to use our service. Changes to fees or terms applicable to eligible accounts are governed by the agreement otherwise governing the applicable account.
- C. **NOTIFICATION:** UNLESS OTHERWISE REQUIRED BY APPLICABLE LAW, IN THE EVENT THAT WE ARE REQUIRED TO PROVIDE A NOTICE OR OTHER COMMUNICATION TO YOU IN WRITING, THAT NOTICE OR OTHER COMMUNICATIONS MAY BE SENT TO YOU ELECTRONICALLY TO YOUR INTERNET ADDRESS AS REFLECTED IN OUR THEN CURRENT RECORDS.
- D. **Disclosure of Information:** The circumstances under which we will disclose information about you, your account or your Internet Banking services is set forth in the information that has been separately disclosed to you in the contracts, notices and disclosures that have been separately provided to you and in accordance with our policy disclosed at our Website.
- E. **Miscellaneous Fees and Charges:** The fees that have been separately disclosed to you in connection with your account(s) will continue to apply to those account (s) and to your Internet Banking services.